THE FINANCIAL POST

The Canadian Newspaper for Investors

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BROADENING OF CONNECTIONS OF "IRON" STARTED

Deal Closed for 50,000 Shares to a Big British Syndicate

BIG DEVELOPMENTS

Stock Transaction Likely to be Forerunner of Important Steps to Secure a Big Share of World Trade

By Resident Representative.

MONTREAL.—The first step towards the broadening out of the connections of the Dominion Steel Corporation culminated on Thursday afternoon, when the directors of the company accepted an offer from a prominent British syndicate for the sale of 50,000 shares of common stock at $70 a share. This is the offer that was referred to in an article two weeks ago in THE FINANCIAL POST. The syndicate represents leading steel, coal and shipping interests in England, with whom Canadian shipping interests such as Canada Steamship Lines and Vickers Ltd. are closely associated.

The sale of these 50,000 shares in itself does not carry with it or suggest in any sense a controlling interest in the Steel Corporation, for these represent but 10 per cent. of the motive power. The authorized capitalization consists of $50,000,000, of which slightly over $49,000,000 are distributed as follows:

Common, outstanding	$32,000,000
Common, in treasury	5,000,000
Common sold to synd.	5,000,000
Preferred	7,000,000

It should be noted that contrary to general expectations the $5,000,000 of Treasury stock still remains in the Treasury, and the voting power of 50,000 shares will rest, presumably, with the management of the Steel Corporation. In order to comply with legal requirements the sale to the syndicate was made, technically, by the Dominion Iron and Steel Company, which secured the stock from the Steel Corporation. The James Ross block referred to before, was originally Coal Company stock which was transferred through the Iron and Steel Company at the time of the merger and passed into the Steel Corporation treasury, and corporation shares given the Dominion Iron and Steel Company.

Big Developments

In conversation with some of those who had been intimately concerned in the negotiations, THE FINANCIAL POST learned that the entrance of the new interests is likely to be fraught with important consequences, in the way, as is hoped, of entirely new fields being opened up for the Dominion Steel Corporation. The whole question was discussed by Mark Workman, the president, when he was in England during the past summer, when Roy Wolvin, a director of Dominion Steel, was also there, and representatives of other Canadian shipping interests. It was recognized that world conditions had undergone such a change that the Canadian company might easily find the way open to an export market for its iron ore, its coal, and quite probably its ship plates. Only this week a representative of a prominent English shipbuilding firm stated that he had placed a large order for ship plates for England in the United States.

The sale of the stock to this syndicate, as a result of negotiations entered into by Mr. Workman, is believed likely to be a strong factor in the development of inter-Empire trade and other European business. The new connection with the Steel Corporation—augmented as was stated some time ago by the steady purchase of shares in the open market that now amount to nearly another 50,000—will be cemented by the appointment of an Advisory Committee from the members of the syndicate, whose names stand in the forefront of the steel and shipbuilding circles in England, among whom are Viscount Furness, Sir Wm. Beardmore, Sir Trevor Dawson (a member also of the London committee of Canada Steamship Lines); Sir Harry McGowan (identified with big explosives plants); Benjamin Talbot (an iron master); Henry Steel, the moving spirit in the United Steel Corporation, a Sheffield steel and coal group, and others, all of them outstanding men among these groups overseas.

This is the first step, then, in what THE FINANCIAL POST believes will ultimately develop into a merger of the Steel Corporation, Canada Steamship interests, Scotia, and the Steel Company of Canada.

Workman Will Not Resign

In answer to a story implying that he would resign shortly from the presidency of the Dominion Steel Corporation and be succeeded by Roy Wolvin, who is closely associated with Canada Steamships interests. Mark Workman stated this week that there was nothing in the report. As to the general situation he was silent, but authorized a positive denial of his intention to resign.

A DAILY OUTPUT OF 2,775 TONS NEWSPRINT

Paper Companies Have Ambitious Plans for Greater Development

By Resident Representative.

OTTAWA.—The importance which the newsprint industry has assumed in Canada is shown by the fact that the Dominion is now producing 2,775 tons of newsprint a day, or a total of about 800,000 tons a year. The above estimate is official, being vouched for by the Canadian Pulp and Paper Association. This tonnage is made up as follows:

	Tons
Abitibi Power and Paper Co.......	240
Belgo-Canadian Pulp and Paper Co.	200
J. R. Booth	150
Brompton Pulp and Paper Co......	95
Canada Paper Co.	35
Donnacona Paper Co.	100
E. B. Eddy Co.	50
Fort Frances Pulp and Paper Co....	150
Laurentide Company, Ltd.	225
News Pulp and Paper Co...........	30
Ontario Paper Co.	225
Pacific Mills, Ltd...............	200
Powell River Company, Ltd........	225
Price Bros. & Co.	250
Spanish River Pulp and Paper Co..	500
St. Maurice Paper Co.	100
Total	2,775

Plant Development Plans

Very ambitious plans for expansion in the industry have recently been announced or are already under way. Price Brothers, Abitibi, Spanish River, and Laurentide are all planning to increase their output by an average of three hundred tons a day, or ninety thousand tons a year. The maximum production involved in this contemplated expansion will probably not be fully achieved before the beginning of next year. If the demand keeps up as it is confidently anticipated it will, Canada will ere long be approximating to an annual production of nearly one million tons of paper per annum.

There are also other plans for expansion under way, including the projected new mills announced by the International Paper Company at Three Rivers; by Price Brothers at Chicoutimi, and by the Great Lakes Pulp and Paper Company at Port Arthur.

Optimists in the paper industry predict that within ten years, at the present rate of progress, Canada will be producing two million tons of newsprint a year, which is equivalent to the total consumption of newsprint in the United States in the year 1918. The total production of newsprint in the United States now averages about 3,200 tons per day.—T.M.F.

ALBERTA NATURAL GAS NOT FOR POWER

Should be Conserved in the Sphere of its Greatest Efficiency

A serious warning to the Government and people of Alberta regarding the use of natural gas for power development on a large scale is contained in a report on "Power in Alberta," which has just been issued by James White, M.E.I.C., assistant to chairman, deputy head, Commission of Conservation. Mr. White refers to the great value of this natural asset, pointing out that at a cost of 19 cents per thousand it compared with $1.00 per thousand in Toronto—the lowest figure on the continent for coal gas—and at the same time had a heating value 75 to 100 per cent greater. However, attention is called to these features of the situation:

> Owing to its unique characteristics its special adaptability for various purposes, and the possibility of its rapid exhaustion, natural gas should be zealously conserved for use in its sphere of greatest efficiency. In my judgment, this sphere is not the development of power on a wholesale scale.

Mr. White deals with the development of water powers with coal steam plants as an auxiliary to solve the power problems of the province.

PUBLIC IS ASKING HOW LOAN FUNDS ARE TO BE SPENT

That is the Question at Top of Business Men's Minds

NEED RETRENCHMENT

There Will Have to be Considerable Curtailment of Present Spending Program—Problems for the Minister

With the Victory Loan a success beyond what could have been hoped for, Canadian business men and all who take an interest in practical national affairs, are beginning to ask: What is going to be done with the money? That is the question being discussed wherever two or three or more business men get together. It was brought up at the big meeting addressed by Frank A. Vanderlip in Toronto this week, and of all the deeply effective statements made by him in regard to the serious issues of the day, no other single remark went home with such directness. It could be sensed that nearly every man present had the same question at the top of his mind. As Mr. Vanderlip said, a great good or a great harm can be done with these millions.

Every reasonable assurance is given that the loan will be the last. It should be. The sum raised meets all the stated requirements of the Government to get back to a peace basis. But already half of it has been spent, and unless there is some drastic curtailment made effective the outlook is that there may be another call upon these who have contributed so willingly and so loyally. Viewing the situation from Ottawa, the representative of THE FINANCIAL POST says:

"Those who keep a close watch on the doings of Parliament have reason to ask if the passion fr economy which many of our rulers have enjoined on the people, has as yet infected themselves. An absolutely impartial and unimpassioned business manager, if placed over the affairs of this great Dominion, would certainly cut and slash its estimates cruelly. We are no longer thinking in terms of thousands or millions. The commitments on capital account of the Dominion for the year 1919-20 are seven hundred millions. Our national debt is nearly two billion dollars, our total gross debt over three billions. Our war expenditure is still nearly a million dollars a day. We are solvent, but frightfully involved.

"A good deal in the way of economy is expected of the new Minister of Finance. This is not to say that the late Minister of Finance was profligate. Far from it. He incessantly preached economy, and did his best to practise it; but for five years he was involved in the maelstrom of war and war expenditure, when his mandate was not to count the cost. If still in the office, he would certainly advocate retrenchment. His successor, coming fresh to the work, and realizing what the feeling of the people is, with no "entangling alliances" such as are so soon contracted in Parliament, may, if he will, be as parsimonious and careful as Sir George Foster himself.

"There will be two big forces watching him closely. The soldiers were not satisfied that the Government could not have given them that indemnity, in view of some of the things they saw. They will be watching to see if the Government is as economical in all ways as it was with regard to their requests. The farmers, too, are on the way. There are a great many people who have no desire to see an agrarian government in power at Ottawa; but who still believe that any influence which would give the country a thorough purging in the way of economy would be beneficial. Having regard to the way the wind is thus blowing, it is probable that the new Minister of Finance will feel inclined to handle the proceeds of this new loan, not as though it were drawn from an inexhaustible supply, but as though it were coming from near the bottom of the barrel."

The British Department of Civil Aviation reports 21,000 flights made and 52,000 passengers carried with only 13 accidents since opening of service last May.

Why a Ten-Year Term for Beck?

AT the meeting of the Ontario Municipal Electrical Association at London this week, a resolution was passed at the dictation of Sir Adam Beck, chairman of the Hydro-Electric Power Commission, memorializing the Ontario Government to extend the period of tenure of his office, as controller of the Hydro projects, for the next ten yars. Sir Adam said there must be continuity, and without it there would be no hope of ultimate success, that at the present time he was exposed to the danger of removal before he had the opportunity of bringing any scheme he might launch to successful fruition. He intimated frankly and firmly that he would not continue unless this were done.

It will be observed that Sir Adam is using his old methods of political influence to gain his ends with the new Provincial Government. Whether he will have the same success as in the past remains to be seen. THE FINANCIAL POST has frequently directed attention to this procedure. Sir Adam engages the support of all the interested municipalities assembled together in convention, unanimous resolutions are submitted and carried, and these are forwarded to the Government as a demand from the people of the province for the legislation which Sir Adam Beck desires. The Government is threatened with the wrath of 200 municipalities unless Sir Adam Beck gets what he wants.

The municipalities always pass the resolutions put forward by Sir Adam, because he tells them that they call for further indulgences in respect of cheap power, or radial railways for the municipalities and for the farmer. There is rarely a dissenting voice.

The demand being made upon the new Government is, in brief, that the Hydro-Electric Commission be removed from the control of the Government entirely and handed over to the municipalities and that Sir Adam Beck be made chairman for ten years. Surely such a situation will have the serious consideration of the newly elected representatives of all the people of the Province. Already provincial credit is involved to the extent of some $100,000,000. Sir Adam admits that his plans will require expenditures of some $200,000,000 more—and this evidently is to be spent during the period in which he would hold authority beyond any control by the people's representatives.

If this extraordinary legislation is not passed by the Government, Sir Adam threatens to resign altogether. He says that continuity is necessary in order that his plans may be carried out. The situation is absurd or dangerous. If the plans of the Commission are based upon the desired principles of engineering and finance, that body should be able to carry them out under any competent chairman; chairmen of all commissions die, or are removed from office or resign and their successors carry on. If the plans are such as only Sir Adam Beck can carry out, they are a menace to the welfare of the Province. What is there in particular about these projects that requires the unique and sole genius of Sir Adam Beck?

THE FINANCIAL POST has always claimed that a great weakness of the Hydro-Electric Commission was that it was in the hands of one man, who was the dictator, and who carried his plans by means of the political power which he swayed through the municipalities. The opportunity is offered at this time to reduce rather than to increase that power.

What Sir Adam's Demand Entails

At this time, with the Hydro Commission facing a new era under a new Government and with a programme involving many millions ahead, THE FINANCIAL POST believes that an inquiry by an independent commission of experts is more than ever required, not only to clear up the situation as it exists, but to pave the way for a solid structure in the future.

If all is well, public confidence will be restored. If all is not well, then steps can be taken to set things right and to put the various projects in the hands of a commission of such men as would be able to carry them through should the services of Sir Adam Beck not be available for the next ten years. Let us for a moment consider some phases of this $200,000,000 future programme.

Competent practical authorities on transportation questions cast the most serious doubts upon the practicability of the proposed Hydro Radial lines from a business standpoint. There is not to-day, they say, sufficient short haul business to make existing lines a success. A committee of the citizens of Hamilton in 1917 appointed an independent board of engineers to make a report upon Sir Adam Beck's proposal to construct and operate a Hydro-Electric railway from Port Credit to St. Catharines.

The members of this commission were:—

Lt.-Col. R. W. Leonard, of St. Catharines.
W. F. Tye, the well-known railway engineer.
Sir John Kennedy, of Montreal.
Dr. L. A. Herdt, of McGill University.
W. J. Francis, of Montreal.

These gentlemen were appointed by the Society of Engineers and their independence of opinion as well as their engineering and financial ability was taken into consideration. Their report, in which they complain that they had to accept Hydro figures and estimates without any chance to check them up, was submitted on Sept. 6th, 1917, and contained such significant passages as:

> "Your Board finds that no public necessity exists for the construction of the proposed line, because the particular district is at the present time thoroughly well provided with steam, electric and water transportation facilities."
>
> "There will be a yearly deficit arising from the operation of this line (St. Catharines to Port Credit), exclusive of taxes and sinking fund of $485,356, or a yearly deficit, exclusive of taxes, of $404,664."
>
> "The proposed by-law and agreement is vague and indefinite in many particulars. The City of Hamilton would become responsible for nearly $6,000,000, and would start into the railway business, from which it would have practically no opportunity to withdraw, and over the operation of which it would have no control. One of the parties to the Agreement would have entire control without any responsibility, financial or otherwise, while the other party would have no control, and would be, at the same time, responsible to the last dollar."

A few days ago, Sir Adam solicited the approval of the Town of Oshawa to his radial project to connect with Toronto. He submitted that the capital expenditure would be $8,330,000, which would necessitate a revenue of $23,000 a mile with an operating ratio of 60 per cent.

The investigation of the board of engineers referred to above showed that of twenty radial lines in Ontario only two had an income of $10,000 per mile or more, and the average would not be more than $8,000. Following are more recent figures on the basis of present business:—

Railway—	Revenue per mile	Operating ratio
London and Port Stanley Ry.	$11,000 to $12,000	75 to 80%
Niagara, St. Catharines Ry. (in thickly populated Niagara Peninsula)	$10,000	80%
Hamilton, Grimsby and Beamsville and Dundas and Oakville Lines	$6,000 to $8,000	90 to 100%

Unless the line from Toronto to Oshawa could show better profits than those mentioned above, there would be an annual loss of nearly $500,000 to the municipalities and to the Government.

These facts and figures in relation to phases of the Hydro projects should make clear the necessity for investigation of the whole enterprise. When they are considered in reltaion to the defects in the Hydro-Electric revealed by analysis of the Clarkson report and the reports of municipal auditors at St. Catharines, Hamilton and other points, and when the statements regarding the enormous cost of the Chippawa project are taken into consideration, the gravity of the whole situation is greatly emphasized.

CANADIAN STOCK MARKETS HELD WELL IN STORM

More Normal Money Rates in New York a Steadying Factor

PUBLIC WAS WARNED

Wall Street Authorities Say Slump Was No Occasion For Surprise—Factors Affecting the Money Markets

Although the aftermath of last week's big slump in New York with its effect both direct and sentimental upon the Canadian situation caused a week of considerable uncertainty in trading circles there was a gradual clearing of the atmosphere and a return of a considerable measure of confidence. The return of the New York money rate to something like a normal basis was perhaps the most important factor. In Canadian market circles there were indications that our own banks were prepared to put on the clamp rather than let speculation run too far, but this did not have any very serious effect, it being felt that a potential rather than an existing condition of affairs was being aimed at.

Explaining the money situation as a factor in the New York market J. S. Cornwell, in the "Bache Review," says:

> The loans of the New York Clearing House banks on August 1st, 1914, before the hurricane of war swept over the world, were around $2,000,000,000. At that time a reserve of 25 per cent. was required and the actual reserve showed an ample surplus over requirements. In 1916 loans of the Clearing House banks had risen to over $3,000,000,000, deposits were about the same, and there was still a surplus over reserve, but reserve requirements had been reduced by the law to 13 per cent. instead of 25 per cent. From that time the loans of these banks increased more or less steadily, and last week had risen to $5,300,000,000, with deposits around $4,000,000,000, and the surplus reserve not large in proportion.
>
> Meantime, the reserve of the Federal Bank system had declined from around 56 per cent. in the summer to 50 per cent., and from October 3rd the statement each week showed a reduction in this percentage, until on November 7th it had reached 46.80 per cent. A few days later it had sunk, it is said, to near the 40 per cent. line of danger.

The New York Annalist declares that there was no occasion for surprise in the collapse of the market and that ample warning had been

Continued on page 16.

THE POST
THIS WEEK CONTAINS

What Scheme For Sharing Profits Should Contain 2
Even Socialist Finds No Fault With This Shop 2
Should be Able to Manufacture on Large Scale 3
Cost of Living Investigation Getting Nowhere 2
Production Can be Increased by Standardization 2
Measures Taken to Get Control of the Coal Supply 3
Hydro Contract a Big Factor in Baldwin's Deal 3
Montreal's Deep Interest in Public Service Financing 4
Looking for Higher Rate on Steamships 5
B.C. Electric Case Sent to Ottawa .. 5
Halifax Power Leaves Field to Scotia Trams 6
Imperial Oil Company Will Continue to Explore West 7
Week Ends With Exchange Future Still Uncertain 8
Would Make Note For Six, Nine or Twelve Months 9
Are Managers Civil and Polite to Customers? 9
Judge Gary Explains Relations of Steel Workers and Employers..... 10
Further Issues Make Their Appearance on the Bond Market 12
Canada's Record Was Better Than Commonwealth's 12
Good Government For City Implies Good Management 13
City Manager Best System For a Municipality 13
Group Insurance Rates Filed by Canadian Firms 14
Fire Prevention Section Invoked For First Time 14
Toronto Exempts Houses Occupied by Owners Only 15
Bank of Montreal Current Loans up $18,000,000 16
Wheat Movement Affects Milling 16

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THE MERCHANTS BANK OF CANADA
Head Office: Montreal Established 1864
Paid-up Capital ....$7,000,000 Total Deposits (Oct., 1919).$156,000,000
Reserve Fund .... 7,574,043 Total Assets (Oct., 1919).. 187,000,000
President: SIR H. MONTAGU ALLAN, C.V.O.
Vice-President: K. W. BLACKWELL
General Manager: D. C. MACAROW,
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UNION BANK OF CANADA

Dividend No. 131

Notice is hereby given that a dividend at the rate of 10% per annum upon the Paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Monday, the 1st day of December, 1919, to shareholders of record at the close of business on the 14th day of November next.

The Transfer Books will be closed from the 15th to the 29th day of November, both days inclusive.

By order of the Board.
H. B. SHAW,
General Manager.
Winnipeg, Oct. 16th, 1919.

THE STERLING BANK OF CANADA

Perhaps you have some suggestions to offer regarding your banking business. We may have information of value to you. A conference will be of mutual benefit.

THE DOMINION BANK

This Bank has formed an affiliation with THE BRITISH OVERSEAS BANK, LIMITED, of London, England, which comprises a group of British and Colonial Banks having combined Assets of over $900,000,000.

The British Overseas Bank, Limited, purposes establishing branches throughout the world.

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HEAD OFFICE: MONTREAL
E. C. PRATT, General Manager

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Your conscience demands that you make provision now for the welfare of your loved ones in the event of your death! Now is the time to draft your will—to-morrow may be too late!

The welfare of your children and your children's children may depend on it.

Consultation invited. Write us to-day for free advice and particulars.

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C. Macdonald, Manager
Major Henry L. Roberts, Vice-President
James Turnbull, Vice-President

PRODUCTION CAN BE INCREASED BY STANDARDIZATION

The Elimination of Special Lines Has Many Advantages

100% IMPROVEMENT

One Concern Has Been Able to Effect Great Increase of Output by Devoting Activities to Stock Goods

Frank A. Vanderlip, the American financier, stated at the joint meeting of the Canadian and Empire Clubs of Toronto this week that his experience had been that an increase of ten per cent. in wages was now followed by a decrease of ten per cent. in production. It is now beginning to be realized by all classes that production is the keynote of a dozen ills which are affecting the body politic to-day. Canada, like other countries, needs to get down to work. Unrest is resulting in tremendous curtailment of output, because all facilities at the disposal of the manufacturer are not being used. As one manufacturer stated to THE FINANCIAL POST this week in speaking of the outlook for the coming year: "I hope Canada will get down to work next year, and by that I mean everyone from the general manager down to the janitor."

Greater production can be stimulated by eliminating many of the fancy or special lines that were manufactured before the war. One lesson of the war was that almost unthought-of things can be accomplished by a uniformity of production, for Canada's effort was mainly directed to a uniform production of munitions. Premier Lloyd George was able to state on one occasion that about 55 per cent. of the shells used on the Western front during a prolonged period were manufactured in Canada. It is no less necessary now that Canada reach the maximum of her productive power than during the days of the war. By devoting their energies to stock lines of goods the manufacturer can produce on a quantity basis, all facilities at his disposal can be used for the greatest possible output, because adjustments are not necessary to manufacture special or fancy lines of a given quantity; and sales costs can be greatly reduced, because the salesman can canvass his territory with a definite proposition, finish the transaction, which is clear and concise and which is not attended by any misunderstandings or delays in payment because of such misunderstandings.

As Applied to Desks

An illustration of how this policy has worked to the advantage of one manufacturer was told to THE FINANCIAL POST this week by H. C. Slemin, managing director of the Office specialty Manufacturing Co. of Toronto.

"We had no definite policy," said Mr. Slemin, "and were manufacturing on a hit and miss basis; so we decided that the whole scheme was wrong and began over again on May 1, 1917, by reorganizing our branch sales forces and devoting our entire sales effort to stock goods.

"This, briefly, has resulted in an increased output within three years within the same plant, of over 100 per cent., and every feature of the business has improved proportionately. It has so simplified our whole proposition that we are able to serve more customers than ever before, and this has caused us to reach out beyond the Dominion to foreign countries."

Mr. Slemin stated that three years ago they were not manufacturing any desks in Canada at all; now they were manufacturing 600 a month. He recently returned from England, where he is organizing an English company; and a new office is being opened in New York for trade in the United States.

BRITISH TIMBER FAIR

Will Be Held in London Next Summer

The British Trade Commissioners in Canada have been notified by the Department of Overseas Trade of the British Government that the Department are organizing an exhibition of timbers grown within the British Empire to take place in London from the 5th July to 17th July, 1920.

The main object of exhibition is to bring prominently before architects, inspectors, firms who have to specify timbers in their contracts, as well as the users and consumers of timbers, the full range of Imperial grown timbers and especially those timbers which up to the present are only very slightly, if at all, known in Great Britain, and at the same time to demonstrate the chief uses for which such timbers are suitable.

As uniform catalogues will be issued prospective exhibitors are advised to communicate with the British Trade Commissioners in Canada who are as follows: G. T. Milne, O. B. E., 367 Beaver Hall Square, Montreal; F. W. Field, 260 Confederation Life Building, Toronto; and L. B. Beale, 610 Electric Railway Chambers, Winnipeg.

AN ALL-CANADIAN CAR

Ford Produced in Canadian Plant is Practically That

In the Industrial Number of THE FINANCIAL POST it was stated that "at least one important company will be shortly in a position to turn out a car very nearly one hundred per cent. Canadian." It might be mentioned that the Ford cars sold in Canada are practically an all-Canadian product. All parts of the Ford are manufactured in this country with the exception of some of small value—about $24—which cannot be purchased in Canada.

MORE IMPORTS, LESS EXPORTS IN OCTOBER

Trade Figures for Dominion Do Not Make a Very Favorable Showing

By Resident Representative.

OTTAWA.—The Canadian trade returns for the month of October, which have just been issued by the Customs Department, are not strikingly favorable, although they show some bright spots. The grand total for the month was $204,999,912. The exports of Canadian produce were $109,446,814; the imports entered for consumption were $91,910,477. The exports of foreign merchandise were $3,642,621. For the seven months of the fiscal year up to October 31st the grand total of Canadian trade was $1,259,648,374.

As compared with 1918 the figures show that on the seven months' period there has been a falling off of about $35,000,000 in the total volume; but it must not be forgotten that during the same period in 1918 Canada was exporting vast quantities of munitions both to Great Britain and the United States, which class of exports no longer find a place in our trade returns. It should also be noted that this loss has largely been made up by increased production of peace-time goods, the result of the country's normal activities.

As compared with October, 1918 the imports for home consumption show an increase of $16,368,664, while the exports of domestic produce show a falling off of $20,107,624. On the seven months' period the imports for home consumption show a decline of $16,403,140, while the exports of domestic produce declined $31,250,043. The exports of foreign merchandise for the past seven months are $27,087,578 as compared with $14,279,906 in 1918.

Among the exports of Canadian produce the first place must be given to animals and their produce, with $29,390,857; followed by agricultural and vegetable products, $24,922,155; wood, wood products, paper and manufactures, $23,966,699; iron and steel, $6,691,422; ores, metals and metal manufactures, other than iron and steel, $5,159,736; miscellaneous, $6,852,801.

Among the classes of imports, fibres, textiles and textile products lead with $17,141,611; followed by iron and steel and manufactures of the same, $15,660,811; vegetable and vegetable products, $13,424,518; non-metallic minerals and products, $11,650,452; animals and animal products, $7,500,591; miscellaneous, $6,827,943.

The dutiable imports for the seven months' period were $354,633,741, as compared with $315,846,345 for the same time in 1918. The free imports for the same periods were $189,037,146 in 1919, and $244,217,692 in 1918. —T.M.F.

EMPLOYMENT SITUATION

Continued Improvement in Week Ending November 1

OTTAWA.—Reports from employers to the Dominion headquarters of the Employment Service of Canada, Department of Labor, for the week ending November 1, indicate that, apart from unemployment due to strikes, the substantial increases made during the preceding weeks were enlarged upon during that week.

Returns for the week ending November 1 were tabulated from the reports of 4,631 firms, of which 2,211 were in Ontario, 890 in Quebec, 471 in the Maritime Provinces, 669 in the Prairie Provinces, and 390 in British Columbia. These firms reported 666,139 persons on payroll as compared with 665,079 on the preceding week, an increase of 1,060 persons, or .2 per cent. A decrease of 1,531 persons, or .2 per cent., however, was anticipated for the week ending October 25.

COST OF LIVING INVESTIGATION GETS NOWHERE

Different Ideas on Question of Profits on Capital or Sales

COL. PRICE'S THEORY

Would Have Retailers Make Larger Profit on Low Price Article Than on High Price Article

The Board of Commerce continues its somewhat dreary investigations developing a mass of evidence that shows so many evidences of misunderstanding that there seems to be a certain amount of reason for taking the whole with a grain of salt. The old theory that profits should be allowed on capital crops up again and again, the latest instance was in the investigation in Hamilton recently, when Lieut-Col. Morrison stated that the local Cost of Living committee thought that profits should be allowed on capital invested in the business. Such a system puts a highly capitalized business in a very favorable position, while a business that by efficient operation may have double the turnover on a similar capitalization is actually penalized for its efficiency.

It would appear, however, that some members of the Board of Commerce are coming to take a saner viewpoint. W. F. O'Connor, for instance, formerly one of the chief champions of the profit on capital idea, at this same session on one occasion stated: "It seems to me that the accepted method should be to compute the profits on the volume of business," and again, "certainly the idea that profits are earned on capital is fallacious. They are earned on sales."

Despite this apparent new light the course of investigation goes along its usual route of picking out isolated instances of individual sales and trying to make the individual instance illustrate the method of profit getting on the whole business. Moreover the investigators are inclined to free the public from all blame in regard to the cost of living. In the recent investigation into the prices of shoes in Toronto Judge Robson stated after hearing something about fancy prices: "We are not interested in people who have $20 to throw away on a pair of shoes."

Regulating Public Purse

This is certainly a new viewpoint, that the manufacturer should be a censor of what the people should be permitted to pay for things and should see to it that they were not provided with any article that would overstep that figure. It is certainly a new line of thought, and one that would sweep away the entire foundation of business. It is giving the public what they should have, instead of what they want.

It might be possible to enforce a regulation to prevent the manufacturer producing goods beyond a certain quality and value, but it would not be possible to make the people buy them, and there would be plenty of agencies not bound by the regulation who would be delighted to take advantage of this opportunity.

Profits and Prices

Colonel Price also had an interesting theory in regard to costs of shoes. He suggested that the retailer's profit on a high-priced pair of boots should be smaller than on a low-priced pair. This, he thought, would cause the merchant to push the sale of the latter.

It all depends, of course, on what is the purpose of these investigations. If a certain class of the public has money to spend and is ready to spend it to get some article of distinctive quality, it has been the customary idea that these people being able to pay should pay, that the burden of profit should be borne by the more expensive lines. Col. Price thinks otherwise. The dealers' profit, he believes, should be less on the fancy shoe than on the low-priced. In other words, the people who can least afford to pay would have to carry the chief volume. It is possible to question the soundness of Col. Price's judgment. The luxury tax is fairly generally considered to deal most justly with the people as a whole.

In a recent enquiry into the drug business it was pointed out that profits that looked high in certain instances were not actually so, because certain articles were of limited sale, and profits had to be made on a few transactions. The percentage of profit was unquestionably large, but the actual profit owing to the work entailed in providing a limited quantity of the goods could not be called exorbitant. These are interesting and vital points that the Board of Commerce must consider if the investigation is to get anywhere, or do more than be a mere drag on business.

JOBS FOR ALL CLASSES

Saskatchewan Labor Bureau Will Increase Its Scope

REGINA.—Plans have been announced by the Saskatchewan Bureau of Labor, which is a department of the Government whereby the work of the bureau will be extended to cover practically every field of endeavor. Heretofore the bureau has largely confined its operations to the placing of farm laborers, men for the bush, and common labor. In future, clerical and professional needs will be attended to, with the object of making the bureau a great clearing house for all the trades and professions. As the bureau works in the closest co-operation with similar bureaus in the other provinces of Canada, the facilities for diverting surplus labor to places where there is a shortage are excellent.

EUROPEAN SITUATION AS SEEN BY VANDERLIP

Author of "What Happened to Europe" Speaks in Toronto—Against Public Ownership

Those who had read in The FINANCIAL POST the book of Frank A. Vanderlip, the eminent American financier, "What Happened to Europe," were prepared for serious utterances on the world economic situation when he came to Toronto this week to attend a meeting of the Canadian and Empire clubs. But it is doubtful if they expected that they would be told that after a year of peace the gravity of the situation has not been mitigated and that the situation to-day held all possibilities of tragedy not only for European countries but for America as well. His great argument was that the United States should extend credits with which to rebuild European industry and the due need in this connection was brought home by the homely illustration of endeavoring to get water from a well without anything with which to prime the pump.

Labor was the great factor in the problems of the States and Canada and he urged that manufacturers and employees should get together and talk over their differences in a business-like way. He believed that much of the trouble was due to the fact that labor was taking by force what it had not been given as a proper reward for efficiency.

Mr. Vanderlip, amongst other things, stated that municipal ownership in a democracy could never succeed, however successful it might be in an autocracy.

It is interesting to note that the majority of the daily newspapers of Toronto omitted all reference to this statement, while they gave full publicity to all other features of the address. There were two exceptions to this statement; the *Star* did report the utterance, and the *World*, while failing to do so in its news columns, published an editorial resenting Mr. Vanderlip's remarks in this respect, while adopting everything which he said otherwise, and claiming that he was a guest of the City of Toronto, and in speaking as he did about municipal ownership, he was quite as rude as a guest would be who criticized to his host what his wife was wearing.

THE PRICE OF FEEDS

Question of Mill Screenings Before Board of Commerce

The Board of Commerce has been taking up the matter of mill screenings of late, upon the complaint that certain combine was shipping this commodity across the line while the complainant was unable to get supplies. The evidence, however, brought out the fact that no bid had been placed on the screening, and that the owners, therefore, had sold in the most profitable market. Certain pressure was brought to bear to have the board prohibit the export of screenings. Judge Robson, however, was not inclined to take the view that the alleged combine had given evidence of any wrongdoing, and was unwilling, therefore, that the board should take any such measures. An agreement was reached whereby the complaining company was to be able to secure supplies of screenings at the market prices, with the right to appeal further if the plan did not work out satisfactorily.

The Board of Commerce, despite this decision, has for some time been advocating a lowering of the price of feeds, claiming that such action is necessary to provide against advances in milk and eggs and similar commodities. The Canada Wheat Board however, has not taken with any favor the suggestion that an increase in flour prices might be allowed to offset a decline in mill feeds.

HYDRO CONTRACT A BIG FACTOR IN BALDWIN'S DEAL

Satisfactory Agreement Not Yet Reached With the Commission

RUSHING BIG MILL

Extent of Operations Depend Largely Upon Support and Co-operation of People of Toronto and District

Work is being rushed on the finishing mill at Baldwin's, Limited. When completed the structure will be 800 feet long by 70 across, and will house the rolling mills and other finishing processes.

Speaking to a representative of THE FINANCIAL POST this week, J. C. Davies, managing director of the company, stated that in coming to Canada, and locating in Toronto, he believed a business was being established that would have a great influence on the manufacturing industries in his community. "We want the support and the co-operation of the people of Toronto and the whole district. We are willing to establish here one of the heavy, or basic industries, one that will turn out a large tonnage of material that is now imported. The securing of power is one of the chief items in our arrangements. We have not yet secured the arrangements we want. While it may appear that there is not much between us and the Hydro Commission in regard to price and amount used, it should be remembered that a small amount there may be the difference between profit and loss on the operation of the plant.

Something of the Plant

The Baldwin plant has a capacity that will take care of 22,000 h.p. There are ten six-ton electric furnaces of the Heroult type. It is, as far as we know, the largest electric furnace installation of that type in the world, although there is one in course of erection in Norway or Sweden of equal, if not greater capacity.

The report has been published in some daily papers that Baldwin's Limited, intend to work from the ore, which means the installation of blast furnaces and perhaps a coking plant. When asked regarding this, Mr. Davies said:

> "For the present we intend to operate the furnaces, depending largely on scrap metal, for the turning of which into steel ingots the works are admirably fitted. We will be purchasers of very large tonnages of scrap material, much of which I am given to understand goes out of the country at present. Our decision regarding the installation of furnaces later on to produce our own iron from the ore will depend on the development of the business and the conditions of the market. We believe that the operation of our plant here will be a good thing for numerous other industries, for there are many lines affected by the operation of a plant that is turning out tin plate, and our other lines. Above all else for the present, though, we want to secure the co-operation and good-will of the Canadian people. We want that more than anything. We are taking a big step in coming to Canada, for many of our friends urged us to keep on supplying the trade here from our Swansea plant in Wales. We have taken the big step and we certainly are not going to turn back now."

There is a large amount of work to be done at the plant, but Mr. Davies was confident that it was going to be put through rapidly. "There is a large forging capacity at the works," he stated, "which was utilized during the period of the war. We shall likely use that to turn out some of the heavy castings for our rolling mill. Some of the rest of it we shall secure in United States and some will come from the Old Country. As far as we can see there should be easily a market now for 200,000 tons annually of tin plate, black sheets and black plate, galvanized sheets, etc. We also intend to develop the forging plant."

Mr. Davies is returning to the Old Country shortly, expecting to sail on the 25th of this month. He is enthusiastic about the future of this country, providing good relations can be maintained between the employers and labor. It is worth noting, in this respect, that the Baldwin plant, which employed at Swansea some fourteen or fifteen thousand hands, had no strikes during the war nor since, and good relations are maintained between the company and its men. It will be necessary for the Baldwin organization to bring to this country a number of skilled workmen, including those who will be in executive capacities. Their processes and methods must of necessity be followed very closely from the start if the best results are to be secured.

MARKET FOR GROUND MICA

British Demand Should Interest Canadian Producers

There is an opening in Canada for the manufacture of ground mica. Recently, according to the Weekly Bulletin of the Department of Trade and Commerce, British firms have asked to get in touch with Canadian exporters of mica. An increasing use is found for the use of the ground mica by the manufacturers of wall paper who sprinkle it over the paper to give it a tinted effect. At present, a limited quantity of this ground mica is being used in Canada for the same purpose, but the greater portion of it so used is imported from the United States. Sheet mica is manufactured in Canada in considerable quantities, but there has been no effort made to produce the ground mica.

SHORTAGE OF PLATES

Premiums For Much Wanted Steel Not Uncommon

There are users of steel and warehouses handling steel, all of whom have grown weary of watching for something or anything that had a resemblance of a shipment of steel plate or sheets. Although the strike is practically at an end in United States, recovery seems to be slow, for there is no improvement noted in the filling of schedules for local buyers. In fact, there is such a large tonnage of business piled up against future delivery now that it would cause no surprise were offices here to withdraw from the market, particularly in bars and hoop steel. There is a very keen demand for both of these lines, and promises now run well on past the first quarter of 1920, and mills are not generally anxious to entertain a schedule that runs much past the six month period, as it has been found that customers very often drop out of the market without notifying the mills, and so there is trouble when the time for shipment does at last arrive.

Premiums for any of the much-wanted steel that can be delivered are not by any means uncommon. Fortunately for some of the shipbuilding yards in this district they had placed their plate business with the steel mills well in advance, so they are now getting deliveries. The fortunate part is that they are coming in rotation, keel first, so that the work of ship construction is going ahead nicely.

'BIG FIVE" PACKERS IN HOTEL BUSINESS

Armour & Co. Have a Big Hold in New York—Swifts go After This Business

CHICAGO—That the hotel business on an extensive scale has become a phase of the wide-spread activities of the "Big Five" meat packers in the United States was one of the most interesting revelations of the hearing before the Interstate Commerce Commission. It would seem that in order to supply the large hostelries not only with meat but with provisions in general the packers have bought stock in many large hotel companies, particularly in New York. Armour and Company and others of the "Big Five" group have obtained a hold on at least six large New York hotels and Swift and Company have adopted a policy of "going after" this business.

Letters from Louis F. Swift were introduced to show that his company has been following this hotel policy since 1910. He recommended taking $50,000 stock in the McAlpine Hotel which would have carried with it the entire business. This was taken up by Sol Bahn and his profits are probably $50,000 annually. In connection with the Biltmore, Armour and Company took $200,000 of stock and Swift & Co. had no opportunity. The Swifts made strenuous efforts to get stock in the Commodore Hotel, but were turned down by Mr. Bowman, the Canadian who has made such a success in New York hotel ventures. It is believed that Armour has about $500,000 in this proposition. It was pointed out that the Armour investments in both these propositions were undoubtedly profitable and that the company would get the supply business, although there were no contracts to that effect.

Mr. Swift points out in his letters that Mr. Bowman has taken over the Manhattan Hotel, which the Metropolitan, a Swift concern, supplies to the extent of about $500 per week, which is quite small. Efforts to get more business indicated that Armour held the inside track. The Ansonia Hotel is another Bowman proposition and the Swifts made loans of $75,000 to Mr. Bowman and William J. Cummings, who is interested with him. There was an understanding that Swift would get the business of this hotel.

Correspondence also revealed that Louis F. Swift and Charles H. Swift were agreed on the policy of investing in the United Hotels Company on the understanding that if they take up $100,000 to $150,000 of preferred stock that their company would get the business. **Charles H. Swift, at the time, wrote that he did not know of any other field where there was so much hotel business to be had for a modern investment as indicated by the United Hotels.**

MEASURES TAKEN TO GET CONTROL OF COAL SUPPLY

Washington and Ottawa Will Probably Co-operate in Situation

MAGRATH RECALLED

Canada's Coal Stocks Are Running Low, Figures Tell, and Unless Imports Come, Industries Will Suffer

The coal strike in the United States, with its consequent decrease in production, is naturally affecting Canada, so largely dependent on American fields for its supplies. There has been no suffering here as yet, nor even a critical situation, but the stocks in many of the large industries in Ontario and Quebec are becoming low, and unless they can be replenished within a short time some plants will be obliged to close down.

With the possibility of a serious situation developing, the Canadian Government recalled to its services C. A. Magrath, who was fuel controller during the war. Mr. Magrath had tendered his resignation, but the same had never been officially accepted, and he could not very well refuse the call of the Government. Thoroughly conversant with the whole situation, both in Canada and the United States, he has taken hold with energy. He is at present in Washington endeavoring to arrange with the American authorities for some reciprocal arrangement in the matter of bituminous coal. As far as anthracite coal is concerned, Canada has nothing to offer her neighbors; but in regard to soft coal, both on the Atlantic and the Pacific coasts, American industries secure a large amount of fuel from the Canadian mines.

There was some criticism of Mr. Magrath's order forbidding coal exports to the United States except under license, as it was thought that this would mean that exports to those sections of the United States which depend on Canadian coal would be affected, with the result that American coal operators might retaliate on Central Canada. A number of newspapers went so far as to play up the order as a move on the part of Canada to conserve its own coal supplies. Such tactics, it will be seen by even a casual study of the real situation, would only react on Canada in the end, for while we export some 2,000,000 tons of coal every year to the United States, our imports from that country total around 20,000,000 tons. It is probable that the order was issued at the request, or at least with the assent of Washington, and is intended not so much to curb coal exports to the United States as to enable Dr. Garfield and Mr. Magrath to concentrate coal at the most convenient shipping points.

In Ontario, Fuel Commissioner H. A. Harrington has already taken charge of all stocks of coal in the Province and has forbidden the export of coal from the province except by special permission. The tendency of most of the orders issued so far seems to give the Government officials control over coal supplies and their distribution rather than to check consumption to any extent.

The coal year begins on April 1st, and the official figures as to shipment up to October 31st, are interesting. Since that date no soft coal has entered Canada. These figures show a big decline in imports into Canada over the years 1917-18. Part of this decline is no doubt due to the closing down of munition plants; but a real shortage in shipments inward is also noticeable. In 1914, our imports from the United States were 6,859,494 tons. The following year they were only 5,886,003 tons for the period from April 1st to October 31st. 1916 was the first year Canada began to manufacture munitions, and there was a jump in coal imports for that period to 9,298,951 tons. The following year, 1917, there was another increase to 12,230,784 tons. The year 1918 saw these figures maintained at 12,120,206 tons. But during the present year for the seven months from April first the imports have been only 8,606,242 tons. Even allowing for the closing down of the munition plants, it may be seen that Canadian supplies are not large.

Anthracite Imports

In anthracite coal, apparently Canada cannot complain; as from the period April 1st to October 31st, there were imported 2,800,548 tons, an increase of over four hundred thousand tons over the same period of 1918, although a decline of some 390,000 tons over 1917. Shipments of anthracite coal for each year from 1914 during this period are as follows:

1914	2,801,843 tons
1915	2,405,756 tons
1916	2,541,373 tons
1917	3,166,290 tons
1918	2,464,901 tons
1919	2,800,548 tons

The total consumption of coal in Canada amounts to about 35 million tons a year, about 13 million of which is produced from Canadian mines. The railways require about twelve million tons, and various industries nearly seven millions.

The coal situation in Canada emphasizes the force of the argument that this country should immediately take steps to "develop her own fuel and power resources, and by co-ordination of transportation and cognate agencies to provide for distribution and storage of fuel in all communities of the Dominion." The problem was admirably dealt with by Arthur J. White, consulting engineer of the Commission of Conservation, in an interview published in THE FINANCIAL POST'S Industrial Number two weeks ago. In that interview, Mr. White said:

> 'The present need for coal is urgent and world-wide. If the United States, either in the interests of her own people or in the interests of people whom she may conclude to be more needy than Canada, should decide that it is more necessary to supply such nations with coal, with the result that Canada's normal supply be reduced, who may reasonably find fault with such a course? Even apart from governmental action, could anyone find fault with the United States if, in their efforts to capture as much as possible of the 160,000,000 tons of annual international coal trade, they sought to deal where they could do so most advantageously? If under such circumstances Canada be judged to be not the best market for the United States coal dealer, from whence does Canada hope to supplement any substantial lack in supply of the coal demand? Let me emphasize the fact that there is nothing new in these possibilities so far as Canada is concerned. The handwriting on the wall has for years been legible. The whole problem has been one calling for ablest statesmanship and not for political or other temporizing and expediency. The problem will never yield to any makeshift policy."

MINERALS ON FARMS OF SASKATCHEWAN

Salt, Iron Pyrites, Sodium Sulphite, etc., Discovered in Considerable Quantities

By Special Representative.

REGINA—Some interesting mineral deposits have recently been discovered in Saskatchewan, including common salt, 98% pure, iron pyrites, practically pure; sodium sulphite, bituminous coal and a high-grade brick clay. In each case the find was made by farmers who have filed claims with the Provincial Government covering mineral rights. They have seemingly discovered another phase of the possibilities of "mixed farming" on the prairies.

Of the salt there is said to be enough to supply every table in Canada and leave a lot for export, but the man who holds the land—it is near Wilkie—has an exaggerated idea of what constitutes a fair division of profits in return for capital and is holding out for a long price.

The sodium sulphite, which has been discovered on the Bengough-Radville line of C.N.R., near Harvey, is estimated at about 6,000,000 tons.

Should a plant be located there is coal within three miles and in addition there are large quantities of limestone, which would permit the manufacture of sodium carbonate used in the manufacture of soap. Sodium sulphite is worth $20 to $30 a ton and is in demand by pulp mills.

The iron pyrites deposit is near Elbow, in the bend in the South Saskatchewan River. The find is said to be one of the most valuable discoveries in the province as the supply is almost inexhaustible. Overlying the pyrites is a fine grade of brick-making clay. Sulphuric acid is made from iron pyrites and is worth about $35 a ton.

Andrews and Cruikshank, analytical chemists, who for several years have been working under the auspices of the Provincial Government, state that there is considerable interest being taken in the samples of minerals, salt and clay. British manufacturers are making enquiries and seem to be alive to the possibilities of developing these resources. This interest is encouraging as giving promise of the required capital for development.

SASKATCHEWAN 'PHONES

Over 7,000 Miles Constructed Since May 1

By Resident Representative.

REGINA. — That Saskatchewan leads the world in new telephone construction is the statement of D. C. McNab, deputy Minister of Telephones of the Provincial Government. He says that since May 1 of this year 7,000 pole miles of rural telephone construction have been completed or are under way as compared with a mileage of 4,948 for the entire fiscal year ending April 1, 1919.

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MONTREAL'S DEEP INTEREST IN PUBLIC SERVICE FINANCING

Important Relation to Possible Acquisition by Montreal L., H. & P. Cons.

MOST FOR TRAM POWER

Holding Company for Tramways System Will Secure About $1,900,000 — Prior Claims of $2,550,000

By Resident Representative.

MONTREAL.—The new bond issue of the Montreal Public Service Corporation for $2,550,000, the details of which are described elsewhere in this issue, has behind it one of the most interesting stories of corporation financing of the year, and at the same time carries with it an important bearing on the future position of this company and the Montreal Light, Heat & Power Consolidated.

THE FINANCIAL POST understands that one of the objects in the present financing by the Montreal Public Service Corporation is to place it in a stronger financial position to negotiate with the Montreal Light, Heat & Power Consolidated for the taking over of its light and power service. This question has been up in various forms for several years, but the Public Service Corporation finances have been so interlocked with those of the Montreal Tramways and Power Company, and then with the Montreal Tramway System, that any definite terms of agreement for handing over its assets to the Montreal Light, Heat & Power were rendered difficult.

The main object of securing the money is to pay for the $1,700,000 bonds of the Canadian Light & Power Co., which are now controlled by the Montreal Tramways & Power Co. These will pass into the hands of the Public Service Corporation.

The second important point in connection with the issue naturally consists in the actual value of the collateral that has been put up for the $2,550,000 bond issue. Part of this is the $1,700,000 issue of the Canadian Light & Power Company 5 per cent. bonds. These have sold anywhere between $40 and $54 or $55 a share, so that the present value may be set down roughly at $50 each or $850,000 for the total.

Another item is the 59,500 common shares of the Canadian Light & Power Companies out of the total issue outstanding of 60,000 shares. Generally speaking, it is understood there is a disposition to place only a small value on these. The company, while it produces light and power, barely pays its way, having only a slight surplus at the end of the past fiscal year.

There remains first of all the $400,000 issue of Montreal Public Service first mortgage bonds, paying 5 per cent. The interest on these has always been met and a fair valuation would appear to be about $75 each, or $300,000, making, with the other, about $1,150,000. The main security then rests with the $2,550,000 second mortgage 6½ per cent. bonds, which bear the same terms as the present collateral trust issue.

Some surprise has been expressed at the Public Service Corporation making a new issue of these second mortgage bonds and handing them over as security for an issue of exactly the same amount of the "Collateral Trust Gold Bonds," seemingly a sort of duplication. The explanation received by THE FINANCIAL POST is that this second mortgage issue—a sort of "paper" transaction—was made in order to tie up as security for the public issue everything the Public Service Corporation had outside of the first mortgage bonds. Had this second mortgage issue been offered by itself to the public it could not have had associated with it as security the $400,000 of first mortgage bonds, nor the bonds and common stock of the Canadian Light & Power Company. The special form the issue took, it is understood, was at the demand of the underwriters of the issue.

The real value of the "Second Mortgage" issue, which is offered as security, then, determines in large measure the real security of the $2,550,000 public issue. While it is a second mortgage on the Public Service Corporation's assets, there is a first mortgage bond charge with a prior claim. The funded debt, it is learned, stands as follows:

First Mortgage Bonds	$2,996,000
Less in treasury	442,500
Balance outstanding	$2,553,500
Interest due	21,489
Total	$2,574,989
Common stock	3,496,000
Preferred stock	150,700
Accrued dividends	72,486
Total	$3,719,186

The total assets are set down as valued at over $500,000. Against these would be set first of all the First Mortgage bond charge with accrued interest of $2,574,989, leaving the balance as available as security for the second mortgage bonds.

One point of criticism heard in financial circles here is the comparatively small portion of the net cash proceeds of the sale of these bonds, running close to $2,300,000, which will go to the Public Service Corporation itself, set down in the official announcement as $470,000 "to carry on further development and current requirements." One estimate of the division of the proceeds is as follows:

$1,700,000 bonds at 45%	$ 765,000
59,500 shares at 20%	1,190,000
Total going to Montreal Tramways & Power Co.	$1,955,000

In any case the Tramways & Power Co., which controls the $1,700,000 bonds and 59,500 shares, will receive in the neighborhood of $1,900,000 out of the total.

MONTREAL PUBLIC SERVICE BOND ISSUE

$2,550,000 Offering to Purchase Issue of Canadian Light and Power, etc.

By Resident Representative.

One of the earliest issues to be announced, following the completion of the Victory Loan, was one of the Montreal Public Service Corporation in the form of $2,550,000 collateral gold trust bonds bearing interest at 6½ per cent. The bonds are dated July 2, 1919, and mature in five years, July 2, 1924. The price at which these are offered is par (100) and accrued interest, giving a yield of 6¼ per cent. The interest is payable semi-annually in Montreal, Toronto and Quebec.

The purpose of the issue is to provide the cash required for the purchase of the $1,700,000 bonds of the Canadian Light & Power Company, a subsidiary, and 59 500 shares of the Canadian Light & Power Company, and in addition to provide the Public Service Corporation with $470 000 for current requirements and further developments.

Holding and Sales Company

The Montreal Public Service Corporation is, for the most part, a holding and sales company for light and power. Its chief customer is the Montreal Tramways Company, and the interests are closely interlocked with Montreal Tram & Power Company. It was founded in 1908 as a consolidation of the Saraguey Electric & Water Company, the Dominion Light, Heat & Power Company, and the St. Paul Electric Light & Power Company; it owns in addition the distribution system of the Canadian Light & Power Company, and operates under lease the plant and distribution system of the Central Heat, Light & Power Company.

The security of the bonds is as follows:

$400.000 Montreal Public Service Corporation first and refunding mortgage 5 per cent., 30-year gold bonds, due 1st September, 1942;

$2.550.000 Montreal Public Service Corporation second mortgage 6½ per cent. bonds, dated July 2nd, 1919, due July 2nd, 1924;

$1.700.000 Canadian Light & Power Co. 5 per cent. bonds, first mortgage, due July 1st, 1949, and

$59.500 common shares of the par value of $100 each of the Canadian Light & Power Company—out of a total outstanding issue of 60.000 shares.

The market value of this is estimated by the company at $3,445,000.

Earnings

The earnings of the company for the fiscal year ending June 30th, 1919, were as follows:

Gross earnings	$992,407.02
Operating expenses, including taxes and bad debts written off	720,890.33
Net earnings	$271,516.69
Bond interest	128,902.69
Net profit	$142,614.00

The issue is offered by a syndicate of three firms, consisting of Beausoleil, Ltd., Rene T. Leclerc, and Credit Canadien, Inc.

WESTERN CANADA FLOUR

A good year's business is reflected in the announcement of a ten per cent. bonus in Victory bonds to shareholders of Western Canada Flour, in addition to the regular 8 per cent. dividend. Last year there was an extra of 2 per cent. and in 1917 a 10 per cent. stock bonus. The new bonus will be to shareholders of record of November 10.

DULUTH-SUPERIOR

Gross earnings of the Duluth-Superior Traction Company for the second week of November totalled $38,730, as compared with $29,088 for the corresponding period in 1918, an increase of $9,642, or 33.1 per cent.

BRITISH CANADIAN TRUST

Net revenue of £13,016 is shown in the annual report of the British Canadian Trust, Ltd., of Dundee, Scotland, for the year ending August 31. This income, which was largely from investments, was disbursed as follows: Preference dividends at 4½ per cent., £1,969; ordinary dividend, £2,187; extra dividends, preference, £1,969; ordinary, £3,062; to reserves, £4,000; balance carried forward, £3,016. The Royal Trust Company, of Montreal, are agents for the company.

$500,000 ISSUE FOR ZINC AND LEAD MINE

Common Stock Offered at 80 by Syndicate Headed by T. O. Lyall

By Resident Representative.

MONTREAL.—A new issue will be offered at the beginning of next week, $500,000 treasury stock of the Federal Zinc and Lead Company, Ltd., of Montreal. The authorized capital is $3,000,000, and this public issue will leave a balance of several hundred thousand of stock still in the treasury. The stock is offered at $4 for par value of $5, that is, at 80. The purpose of this issue is to finance the construction work on the company's mines in the northern part of Lemieux Township, Gaspe County, in the Province of Quebec. A portion will also be applied for securing additional mining and transportation equipment. Preliminary work has been carried on for the past four years. As soon as the 400-ton concentrating mill and the lead smelter are completed and the road finished that will connect the property with the rail and water facilities at Cascapedia, production will commence. Up to the present, large reserves of ore have been blocked out, some 140,000 tons, ready to be mined. It is estimated that there are some 200,000 tons between the 100-foot level and 170 feet below, or a total of nearly 340,000 tons. There is an estimate of $6.33 average assay value of zinc per ton of ore, and $4.32 of metallic lead, or a total value of $10.65 per ton.

The directors are as follows:

T. O. Lyall, president; J. C. Beidelman, mining engineer, vice-president; E. A. Wright, of Wright & Kingan, accountants, secretary-treasurer; Hon. J. L. Perron, K.C., M.P.P., Lt. Col. P. D. L. Lyall.

NORTHERN REINDEER COMPANY

The North American Reindeer Company, capitalized at $750,000, has been granted a concession of 75,750 square miles of land north of the Churchill River to graze caribou and reindeer upon. This amounts to 48,000,000 acres, for which the Government charge one-fourth of a cent an acre per annum, according to the statement of officials of the company, which works out at $192,000 a year for the total. It is stated that the company will proceed with their project in the spring, and the first move will be to gather the caribou herds. The Pas will be the headquarters of the enterprise.

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Principal and interest payable, in gold, at the holder's option, at:

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The Merchants Bank of Canada, in Montreal, Toronto and Quebec.

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REDEMPTION: Bonds are subject to redemption by the Company, in whole or in part, on the 2nd or 3rd interest date at 101½ and accrued interest, — or at any subsequent interest date at 101 and accrued interest, on thirty days notice being given in each case.

REGISTRATION: Bonds may be registered as to Principal, at the office of the Bankers' Trust Company, Montreal.

TRUSTEE: The Bankers' Trust Company, Montreal.

LEGALITY: Messrs. Béique and Béique and Messrs. Perron, Taschereau, Rinfret, Vallée and Genest, solicitors, have passed upon the validity of this issue.

SECURITY FOR BONDS

These Bonds are secured by pledge and transfer to the Trustee, of:—

1. $ 400,000 Montreal Public Service Corporation, First and Refunding Mortgage 5%, 30 year gold Bonds, due 1st September, 1942;
2. 2,550.000 Montreal Public Service Corporation, Second Mortgage 6½% Bonds, dated July 2nd 1919, due July 2nd 1924;
3. 1,700 000 Canadian Light & Power Company 5% Bonds, First Mortgage due July 1st, 1949;
4. and 59,500 common shares of the par value of $100 each of the Canadian Light & Power Company, — out of a total outstanding issue of 60,000 shares.

The market value of the above collateral may be conservatively estimated at $3,445,000, — providing ample margin of security for the present issue.

MONTREAL PUBLIC SERVICE CORPORATION — This Corporation, which was founded in 1908, is a consolidation of the SARAGUAY ELECTRIC AND WATER COMPANY, the DOMINION LIGHT, HEAT and POWER COMPANY and the St. PAUL ELECTRIC LIGHT & POWER COMPANY; it owns the distribution system of the CANADIAN LIGHT & POWER COMPANY, and operates, under lease, the plant and distribution system of the CENTRAL HEAT, LIGHT & POWER COMPANY.

It furnishes electric power to the MONTREAL TRAMWAYS COMPANY, under a most valuable contract extending over a period of 50 years, until 1965.

Its distribution market of electric light and power covers the larger part of the Island of Montreal, including the City, where it serves nearly 14,000 customers amongst which figure some of the most important industrial and commercial institutions. — The Company also furnishes the street lighting to a large number of City wards and adjoining municipalities.

CANADIAN LIGHT & POWER COMPANY — This Company is one of four Public Utility Companies headed by the Montreal Tramways & Power Company, Limited, and comprising the Montreal Public Service Corporation, the Montreal Tramways Company and the Canadian Light & Power Company, which are doing business under the same executive. — It owns and operates a large hydro-electric plant at St. Timothée, P.Q., and furnishes the electric light and power distributed by the Montreal Public Service Corporation.

PRICE: Par (100) and accrued interest.

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AMES-HOLDEN-McCREADY

There was a considerable bulge in Ames-Holden common during the week when a high point of 121½ was made as compared with a low point of 108½ last week. Several points were lost on the reaction, but the bulk of the gain was retained. The preferred sold up to 116, a gain of 6 points above the low of last week.

LOOKING FOR HIGHER RATE ON STEAMSHIPS

Receipts for 1919 Will Exceed 1918 by Hundreds of Thousands—Bonus Talked Of

By Resident Representative.

MONTREAL.—Word has been received from London that the British holders of Canada Steamship Lines are looking for an increase in the dividend of the common stock from 4 to 6 per cent. The question will come up for consideration, THE FINANCIAL POST understands, of the Board here at a meeting which will be held in Montreal early in December, the time when the next dividend notice is arranged. It is understood that it is likely that not only will the common dividend be increased from 4 to 6 per cent., but that in addition probably a bonus of 2 per cent. will be granted the shareholders. Early this year when the dividend was placed at 4 per cent. there were a number on the Board who were in favor of making it 5 per cent., but it was felt that as this was the initial dividend it was better for the company to adopt a conservative attitude.

The real reason for the probable increase in dividend for the next quarter is the rather unexpected earnings of the company during the year just closing. As THE FINANCIAL POST has announced before, these will exceed the total of last year, which was $4,338,079. Indeed it would not be surprising if the figures this year ran several hundred thousand dollars in advance of last year and this will be on the basis of a very conservative estimate of the value of the company's boats and a very liberal allowance for depreciation.

It is felt by the majority of the Board, it is believed, that the time has come when more generous distributions can be made to the common shareholders, without injuring in any way the value of the security that lies behind the preferred stock. The maintenance of the company's earnings when it was faced at the end of the war with a drop in freight rates has been due in a large measure to the far-seeing policy of the management in developing new lines for increasing the company's revenue, such as an overseas freight traffic. This, as has been announced, will be extended to a passenger traffic with France and other European countries, while freight services will be started with Belgium and Holland and other countries as well. The enormous and unprecedented tourist traffic during the past summer also added materially to the company's gains, and it is believed that these ran far more than double those of last year and exceeded very greatly the best previous year in the history of the company. It is expected that in future the company's earnings will never fall below the record set us last year, and may even equal and certainly in time pass the new high record that will be established for the year 1919. There are reports, indeed, that the first nine months of this year equalled the records of the whole of last year, which leaves two good earning months, particularly in upper lakes freight traffic and some in overseas, which have to be added to last year's total, all of which would represent a surplus over 1918.

SPANISH RIVER

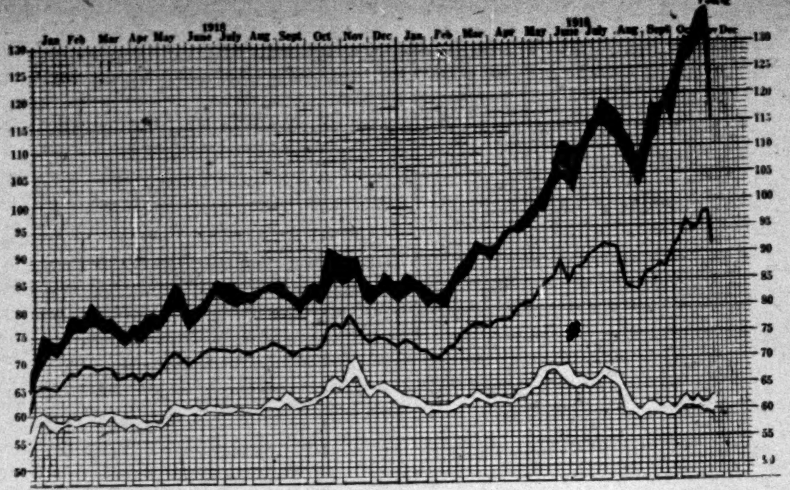
In connection with the recent steadiness of Spanish River preferred it is being pointed out that the stock carries dividends from first of July, 1914, so that by the first of January it will be five and a half years in arrears, being the equivalent of about $38.50 per share. If this were deducted from the present price of $117.50 a share, the remainder of $79 would represent approximately the cost of the shares—assuming the wiping out of the arrears. The street does not look for these arrears to be wiped out even in part by a cash payment, but expects to receive a new issue of preferred stock in discharge thereof. The authorized preferred issue of the company is $10,000,000 and the outstanding preferred approximately $5,700,000, so that in the present capitalization there is ample provision for the necessary issue as well as for the stock requisite to discharge the vouchers issued some time since to even up the two classes of preferred stock.

LONDON RAILWAY

London City Council has decided to have the Hydro-Electric Commission estimate the value of the London Street Railway system as a preliminary to purchase negotiations. The company has intimated a willingness to sell.

SCOTIA STEEL & COAL

Some improvement is noticed in the operation of the plant of the Nova Scotia Steel and Coal Company at Sydney Mines. A quantity of pig iron has been turned over to the open hearth furnaces, sufficient to put two of these in operation. It is hoped that the blast furnace will soon be operated again. Scotia common has not figured on the market since the fifth of the month, and then only for a very small sale. Preferred shows strength—the last sales being at 108. Several of the officials of the company are still in the Old Country, but nothing has been heard definitely of the success attending their efforts.



THE BIG WALL STREET SLUMP.
The heavy line shows the closing average price of fifty stocks, half industrials and half railroads. The black area shows the high and low average prices of the twenty-five industrials and the white area the corresponding figures for twenty-five rails.—"The Annalist."

B.C. ELECTRIC'S CASE SENT TO OTTAWA

Government Asked to Decide Jurisdiction of Provincial Commission

VICTORIA.—The Victoria City Council joined the councils of Vancouver, New Westminster, Point Grey, Burnaby, South Vancouver, North Vancouver and the B.C. Electric Railway Company in a petition to Ottawa, asking the Government to amend the Railway Act in respect to legislation that covers the operations of the B.C. Electric in the province.

It points out that the charters of the B.C. Electric originated and are within the legislative authority of the Parliament of Canada and that therefore the company comes under the Railway Act of 1919. But on March 29, 1919, the British Columbia Legislature, passed an act providing for the regulation of public utilities and under these powers the Public Utilities Commissioner has been for some months conducting an investigation into the rates and fares of the B.C. Electric Railway.

Now, however, the Commissioner has announced that he is in grave doubt as to his jurisdiction to proceed with the inquiry by reason of the amendments to the Railway Act, which are said to be "inadvertent," leaving the legal situation in doubt because of the conflict between Federal and Provincial Statutes. The petition says:

"Unless legislation is passed dealing with the matter, a complicated legal situation will arise which may be productive of costly and vexatious litigation," says the petitition. "It leaves questions of vital public importance, such as fares on local city street railway and suburban passenger fares in doubt relative to the jurisdiction of the governing body empowered to control them, as well as light and power rates.

"The question of control of local street car fares and local light and power rates would seem to be matters of an essentially local economic nature rather than national questions and could be more conveniently dealt with by a board of local jurisdiction having a knowledge of the local situation."

HOWARD SMITH MILLS

Capitalization Increased to $4,725,000 by 31,875 New Shares

Supplementary letters patent have been issued decreasing the capital stock of Howard Smith Paper Mills, Limited, from $3,000,000 to $1,537,500, by the cancellation of 14,625 unissued common shares of $100 each. Permission was granted at the same time for an increase of the capital stock from the aforesaid $1,537,500 to $4,725,000, by the issue of 31,875 shares of $100 each.

IRON FOUNDRIES.

Notices are being sent out to shareholders of Canada Iron Foundries, Ltd., calling attention to the resolution passed by the Board of Directors last September to convert the present preference and common shares of the enterprise of a par value of $10 to new ones of $100 denomination, one new share being issued for ten shares of old. The circular states that application is to be made shortly to list the new securities on the Montreal Stock Exchange.

The circular states further: "In order to avoid the issue of fractional certificates as far as possible and for the convenience of shareholders, the company has been able to arrange with McDougall & Cowans of the Montreal Stock Exchange to purchase fractional shares at the rate of 25 per cent. of face value for the preference, and 5 per cent. of face value for the common, which McDougall & Cowans state to be about the rate of such recent dealings in the old shares as have come to their notice. This offer is good for one month from November 18 only, and applies only to fractional shares, i.e., to fractions of $100."

WAYAGAMACK

At a meeting of the Board of Directors of the Wayagamack Pulp & Paper Company held on Thursday, Norman J. Dawes, Montreal, was elected a director. Mr. Dawes is managing director of National Breweries, and a director also of the Windsor Hotel Company.

After its decline during last week's break Wayagamack has developed some of its former strength and on Thursday sold up to 82. Mystery still surrounds the recent steady rise.

DEPRESSION OF C.N.R. DEBENTURE STOCKS

"Income Charge" and "First Mortgage" Do Not Reflect Improved Position

LONDON.—A correspondent of the "Financial News" calls attention to the severely depreciated price of Canadian Northern Income Charge Debenture stock, which, as he points out, though it fell in sympathy with the depression in Grand Trunk stocks, has not benefited by their changed outlook and improved status. When the C.N.R. passed into Government ownership the status of the Income Charge Debenture stock was automatically improved. There might be no more prospect of interest payments being resumed, but the fact of Government ownership certainly added great strength to the pledge of redemption at par in May, 1930. Thus at its present price of just over 41 there will be an increment of about £59 per £100 of stock in ten and a half years, or, in other words, people who care to lock up their money for that length of time now, seem pretty certain to secure an increment of about 144 per cent. in 1930.

Another C.N.R. security which seems decidedly attractive from an investment point of view is the 4 per cent. first mortgage debenture stock which is unconditionally guaranteed as to both principal and interest by the Government of the Province of Saskatchewan or that of Alberta. At their present price of just around 73, these issues yield very nearly 5½ per cent. per annum, and, as they are redeemable at par in 1939, an increment of £27 per £100 of stock will accrue in just 20 years. This represents about 37 per cent. on an investment at the present price. That the stock will be redeemed at its due date and that meanwhile the interest will be paid regularly seems fairly safe to count on in view, not only of the Provincial guarantee, but of the ownership of the company by the Dominion Government.

UNION BAG AND PAPER

The Union Bag and Paper Company has declared a quarterly dividend of 2 per cent., thus placing the stock on an 8 per cent, basis.

The new organization, the Union Bag and Paper Corporation, was incorporated in October, 1916. It began paying dividends at the rate of 1½ per cent. quarterly on Dec. 15, 1916, and has continued to pay the same rate up to the present declaration.

In addition, bonuses were paid to the amount of 8 per cent. for the three years, of which 2 per cent. was in cash and the remainder in Liberty bonds.

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General Manager

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HALIFAX POWER LEAVES THE FIELD TO SCOTIA TRAMS

Could Not Raise Capital to Carry Out Project

PUBLIC OWNERSHIP

Nova Scotia Government Plans to Develop Power Which Will be Supplied "At Cost of Production"

By Special Representative.

HALIFAX.—A letter written by S. M. Brookfield, president of the Halifax Power Company, to the Halifax city council last week, seems likely to mark the end of a long struggle between that company and the Nova Scotia Tramways and Power Company, or, more strictly speaking, it would appear that the threatened competition from the Halifax Power Co. which has faced the Tramways Corporation more or less seriously for a considerable number of years, will now disappear. The Halifax Power Company had a contract with the city under which it agreed to supply, after the power was developed, fifty per cent. more lighting, for a period of thirty years, at the same figure that the Nova Scotia Tramways Company now receives from the city for its municipal work in this direction. The Halifax Power Company at last finds itself unable to finance the development, which would require about $1,000,000. The company had made an arrangement with the city under which $400,000 of its bonds would be guaranteed when the development had taken place and not till then. This was all very well, but money in hand was what the Halifax Power Company required, and this at last it has been found is not forthcoming. Hence the letter from Mr. Brookfield asking to be relieved of the contract and practically calling the whole deal off.

The Nova Scotia Power Commission is taking over the Halifax Power Company's water areas, and this may have assisted Mr. Brookfield in coming to his decision to drop out. The Nova Scotia Power Commission, it is understood, has prepared a report for presentation to the Provincial Government outlining its plan for developing the water powers of the Halifax Power Company on the St. Margaret's Bay Road, and there is little doubt this will be approved in due time. In that event the Power Commission would supply electric current to the city at cost, at least that would be its policy in carrying out the Act passed at the last session of the legislature.

Development "At Cost"

The commission's funds for development purposes would be raised by the issue of bonds to be guaranteed by the province. The question naturally comes up whether management, by a commission of this kind, and selling its power at cost to the corporation, would be as efficient and economical in the long run as if this were to be done by a private corporation. The Halifax Power Company seems to have failed in its efforts to do this, and whether rightly or wrongly, the people of Halifax are pleased at the prospects of Hydro-Electric power to be supplied "at the cost of production" by a Government commission.

Whether in the end the city will appoint a commission to act with the Nova Scotia Power Commission and sell their current to whoever may require it it not yet known. This is a matter for the future, but in any event the N. S. Tramways Company would be a large purchaser, for there is no doubt current would be cheaper supplied from water sources than from its present system of steam production.

The question has been asked whether the sources of power which were to have been exploited by the Halifax Power Company and are now going into the hands of the Nova Scotia Power Commission, would be sufficient for the requirements of the city of Halifax. The answer is given by engineers who have investigated on behalf of the Government, and their reply is that twice as much power is available from them than is now used by the entire city of Halifax, including the Tramways Company. In other words, the N. S. Power Commission at its plant on the St. Margaret's Bay Road, can develop 30,000,000 kilowatt hours per year, whereas the entire power now used in Halifax is under 12,000,000 kilowatt hours.

It is somewhat remarkable that this power should have been so long neglected, a power which now seems to have an assured potentiality so great. The N. S. Tramways Company some years ago is reported to have investigated the available power there and come to the conclusion that there was nothing practical in it from an economical point of view.

Interesting Experiments

The future developments in which the N. S. Power Commission will figure, and the place to be taken in what goes on by the N. S. Tramways Company and the city of Halifax, will be watched with a considerable degree of interest, not only in this city but by a wide circle of observers in other parts of the country. It will be Nova Scotia's first experiment in municipal ownership of water powers.

The commissioners have another source of power under consideration, of which it has made some preliminary investigation. It is at Sheet Harbor, where they may do the same thing for New Glasgow and mining towns in Pictou that they propose for Halifax. There is a stretch of about ninety miles of transmission for this power, and the question is whether hydro-electric energy at that distance would be as economical as power generated on a large scale from slack coal at the mines. This is a problem to be solved, but it would appear to be the general opinion that the hydro-electric energy would be the cheaper of the two, even at the handicap of a long mileage in transmission.

QUEBEC RAILWAY EARNINGS ADVANCE

Increase $60,000 for First Four Months Fiscal Year—Taking Over by Saguenay Line

By Resident Representative.

MONTREAL.—The interest in the common stock issue of Quebec Railway Light, Heat & Power Company is steadily increasing, and now the stock is a fairly regular habitue of the Exchange. With the increased buying has come a definite strengthening in price and the stock passed 25 this week. One of the new attractions for buyers is the ratification that Quebec City Council has made of the application of the company for increased fares on the street railway system, which will add a considerable amount to the earnings of the company. At the same time the company secures a renewal of the increased gas rates that were granted a year or so ago. In the four months ending Oct 31, 1919, the street railway showed an increase in gross traffic earnings of $60,000 over the corresponding period of 1918. Then the number of passengers carried on the Montmorency division, which connects the Quebec Saguenay line with the city of Quebec increased by 275,000 to over 1,000,000. It is expected that the Quebec-Saguenay road will be formally taken over by the Canadian National Railways on the first of December.

GENERAL ELECTRIC INCREASES CAPITAL

Adds One Million Dollars to Common Stock—Issue at Par

An additional million dollars of the common stock of the Canadian General Electric Company, Ltd., will be issued at par, it is announced by the Board of Directors. The authorized amount of common stock is $10,000,000, but to date only $8,000,000 has been issued. The present issue will bring the capital to $11,000,000; $9,000,000 in common stock and $2,000,000 in preferred shares.

According to the last annual statement the company had a surplus of $5,122,777, of which $4,600,000 was in the reserve fund. All of this has been invested in capital account, and increased business in certain of the company's departments has made it advisable to raise capital by a further stock issue.

The stock will be offered for subscription to holders of common stock of record of December 12. In issuing it at par, the company is going below current market quotations, which are around 109, a drop of seven points from quotations a few weeks ago. Current assets at the end of 1918 were $9,392,000, and total assets, $21,692,000, of which only the nominal sum of $1.00 was for patents, contracts and goodwill. Liabilities were as follows:

Common stock	$8,000,000
Preferred stock	2,000,000
	$10,000,000
Mortgage obligations	22,500
War tax	693,392
Dividend paid Jan. 1, 1919	160,000
Depreciation reserve	4,336,182
Surplus	5,122,777
	$21,692,472

Profits last year were $2,013,996, applied as follows:

Gross profits	$2,013,996
Undivided profits	466,293
	$2,480 289
Reserve for depreciation	$ 577.513
Dividends	780,000
To reserve	600,000
Balance to profit and loss	$ 522,776

TWIN CITY FRANCHISE UP AT MINNEAPOLIS

Better Element Being Urged to Support Proposals on Service-at-Cost Basis

MINNEAPOLIS.—Now that the Supreme Court of Minnesota has cleared up the legality of the franchise matters and the referendum vote procedure, citizens of Minneapolis will on December 9 proceed to register their decision in regard to the Twin City Company's franchise. The franchise to be voted on is a "cost-of-service" plan, under which rates will be regulated according to the actual cost of service, which includes a return of seven per cent. on the invested capital, based on the valuation of the property as made by independent engineers as well as those selected by the city. The city is not to guarantee any fixed return, the company getting seven per cent. if it can earn it.

It is hoped by the intelligent citizenship of Minneapolis that the radical Socialists will not be permitted to defeat this franchise election.

Minneapolis has had excellent street car service. The company wants to make it even better and is now preparing to equip its cars with exits at the front to complete its pay-as-you-enter system. The growth of the city, however, demands many extensions and many more cars during the rush hours. The only way these improvements can be provided is to give the company a franchise whereby it can finance such improvements and extensions.

It may be taken as a certainty that the Socialists and all the Radicals of the city will fight this measure and do everything in their power to defeat the street railway franchise at the coming election. Anything that is destructive they will work for and in opinion of the Commercial West it is up to the right-minded citizens who believe in working for the best interests and growth of Minneapolis as a great business centre, to see that a majority vote is cast in favor of this franchise. If the franchise carries the many years of controversy and dispute will be ended and the way cleared for industrial expansion. The extension of attractive residence districts will also be provided for by increased street railway facilities.

TO BUY PRIVATE PLANTS

No Particular Developments in Negotiations With Hydro

Reports of negotiations between the Hydro-Electric Commission and the Toronto and Hamilton power interests, including all development plants and distributing facilities have been printed this week by the Toronto and Hamilton daily papers. The FINANCIAL POST understands that there have recently been no important developments in these negotiations which have been in progress on a more or less tentative basis for some time. The subsidiaries of Toronto Railway include the Metropolitan Railway, Toronto and Scarboro, the Toronto Electric Light Co., the Electrical Development Co., the Toronto and Niagara Power Co. the Toronto Power Co., the Toronto and Scarboro Electric Railway, Light and Power Co., and the Schomberg and Aurora Railway.

The Dominion Power Co. controls the Hamilton Cataract Power, Light and Traction Co., the Hamilton Radial Electric Railway, the Brantford and Hamilton Electric Railway, the Hamilton Terminal Co., the Hamilton Electric Light and Power Co., the Hamilton Street Railway, the Hamilton and Dundas Street Railway, the Hamilton, Grimsby and Beamsville Electric Railway, the Dundas Electric Co., the Lincoln Electric Light and Power Co. at St. Catharines; the Welland Electric Co., and the Western Counties Electric Company at Brantford.

PRESSED METALS

Important steps for enlarging the board of directors of Pressed Metals Company, Limited, have been taekn. The following names have been added to the board: Benjamin Lowenstein, president Nassau Smelting & Refining Company, New York; Morris Moskin, of Moskin Bros., New York; Edward Hay, late general manager Imperial Bank; W. R. Johnston, of Toronto; Eugene Coste E.M., of Calgary. The board previously consisted of C. E. Calvert, president; J. W. Leighton, vice-president; Simon Goldsmith, of New York; H. L. Nussbaum, of Toronto; J. R. L. Starr, K.C., Toronto who remain, together with the men appointed yesterday.

Bought - Sold Quoted

CANADIAN CONSOLIDATED FELT
Common and Preferred
AMES HOLDEN TIRE CO.
Common
HOLT, RENFREW CO.
Common
ST. MAURICE PAPER CO., LTD.
Common
UNITED CIGAR STORES (Canada)
Common and Preferred

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Consult us as to the present value of your holdings.

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Members Toronto Stock Exchange

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THE UNION BANK OF AUSTRALIA, LTD.

Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED £7,500,000

Paid-up Capital, £2,500,000
Res. Fd. £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
Total Capital and Reserve £10,070,000

Head Office: 71 Cornhill, London, E.C. 3

The Bank Has 181 Branches, viz:

In Victoria	41
In New South Wales	39
In Queensland	19
In South Australia	14
In Western Australia	21
In Tasmania	3
And in NEW ZEALAND	44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

MAKE A BEGINNING

A great many people fail to save money simply because they put off making a beginning. They think they must have a substantial amount before they can open a savings account and that there are a great many formalities in connection with opening such an account. This Corporation accepts as small an amount as One Dollar and makes the opening of an account a very simple matter indeed. Open an account with us to-day and receive interest thereon at

HREE and ONE-HALF

per cent. per annum paid and compounded twice each year

Canada Permanent Mortgage Corporation
Toronto Street, Toronto

Capital and Surplus......$11,672,509.77
Investments..............$31,461,387.24

Established 1855.

NIAGARA FIRE INSURANCE COMPANY
Incorporated 1850 Head Office: NEW YORK
Cash Capital: $1.000,000.00.
Total Assets Dec. 31st, 1918: $10.286.583.97
Canadian Department: MONTREAL W. E. Findlay, Manager
Toronto Agents: Murphy, Love, Hamilton & Bascom

Will 1920 Be Like 1907?

Will present conditions—very like those existing in 1906—lead to a break and a slump in 1920 similar to the panic of 1907?

BABSON'S

Speculative Bulletin of November 15th gives you the plain, unbiased facts on our present situation and compares it with 1906.

It is a bulletin of vital importance. With its facts before you, you can see what's ahead and govern yourself accordingly.

Report on Request

A few copies of this Special Bulletin and full details of Babson's Financial Service are available for distribution to interested executives, gratis.

Ask on Your Letterhead for Bulletin 29R
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General Manager Western Canada
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MINES — TIMBER

This Company maintains a special department for the investigation of development propositions in Western Canada, and only those of sterling merit are commended to the consideration of our clients.

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Government, Provincial, Municipal and School Bonds
Calgary, Canada

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May Not Bring Greatest Returns, but they are the kind that stand the acid test. During such times as these consult an experienced Financial House before investing. Our services at your command whether you buy or not.

JOHN STARK & Co
ESTABLISHED 1870 MEMBERS Toronto Stock Exchange
ROYAL BANK BUILDING - - - TORONTO

Stocks Wanted

Volcanic Oil and Gas
Dominion Sugar
Sterling Bank
Trust and Guarantee
Goderich Elevator

J. E. CARTER
Investment Broker, Guelph Ont.

IMPERIAL OIL CO. WILL CONTINUE TO EXPLORE THE WEST

Lack of Important Success Will Not Discourage Ventures

OFFICIAL PARTY BACK

Prospects of Making Important Discoveries in Peace River Country Still Regarded With Optimism

Though the extensive operations carried on by the Imperial Oil Company throughout the western portions of Canada during the past five years have yet brought no tangible results of any considerable proportion, there is no discouragement on the part of the officers of the Canadian branch of the Company who have just returned from an inspection tour of all Canadian refineries.

The programme which was outlined for the past year and provides for bigger operations next year will be carried on during 1920 just the same.

All the way from the international boundary to beyond Fort Norman on the McKenzie River, seven crews have been operating and will continue in the work next year. The past season has been a short one, because the winter in the West has set in early and cut off operations.

Following the survey of the geologists, six or seven wells have been drilled at Peace River, all of which have a production of oil, but not sufficient to warrant the installation of pipe lines or other transportation to handle the production. With more development work and better transportation facilities, these wells may prove exceedingly valuable. Two holes were drilled on the Great Waterways Railway but without appreciable results.

During the past season, geologists have been at work in the country south of Cardson on the Mackenzie River, south and west of Calgary, between the Athabasca River and the Big and Little Smoky Rivers, in the Peace River block and north of this region, on the plans in the eastern part of Alberta and the western part of Saskatchewan. Work has proceeded at the Great Slave Lake and on the Mackenzie River, 45 miles below Fort Norman. Referring to the work of the coming year, Mr. Victor Ross says:

"We will continue next year on the same programme which we commenced this year," said Mr. Ross, "believing that we will be successful. We believe that the natural resources of the country should be developed. We have enormous investments in Canadian refineries and transportation equipment, and to keep the Canadian markets supplied with all the oil required, we must search the world for it.

"Crude petroleum is being brought into Canada from three or four foreign countries. For the Western country, it is brought from Peru, refined at Ioco, and distributed for bunking vessels, naval supplies and the internal trade of British Columbia. For the Prairie Provinces, the oil is refined at Regina, and comes from Texas, Kentucky and Wyoming, where it is largely bought from individual producers. We also draw on those states for the oil refined at Sarnia, and also for the Montreal refinery; another part of the oil for Montreal we get from Mexico. For Dartmouth, the oil comes from Mexico, and that refinery was really built to supply the navy during the war."

The party consisted of C. O. Stillman, president; Victor Ross, one of the directors; W. B. Ellsworth, general superintendent; A. M. MacQueen, one of the vice-presidents; Thomas Montgomery, chief engineer; Leo McCloskey, statistician; and A. Fleming, secretary to Mr. Stillman.

MINING STOCK QUOTATIONS

Week Ending Nov. 19.

	High	Low	Close	Sales
Adanac	7	5¾	6¼	111.600
Apex	3½	3	3½	14.000
Atlas	26½	25	26½	10.600
Bailey	5	4¾	5	5.700
Beaver	42½	40	42½	24.160
Chamb.-Fer.	13	12	12	2,000
Coniagas	2.90	2.75	2.75	900
Crown Reserve	37	30	36	8.925
Dome Exten.	35¼	33	34¼	20.827
Dome Lake	15	..	..	1,100
Dome Mines	14.00	13.70	13.70	932
Foster	4	..	..	500
Gt. Northern	4	3½	4	3.500
Hargraves	3½	2⅛	3⅛	7.000
Hollinger	7.45	7.20	7.45	1,742
Kenora	21¼	20	20¼	42,400
Kerr Lake	4.00	3.85	3.85	190
Kirkland Lake	40½	40	40½	1.000
La Rose	42	40	42	15,715
McKinley-Dar.	70	66	68	1.400
McIntyre	2.18	1.98	2.15	16.898
Moneta	12½	12	12	2,000
Newray	12	11	12	266
Nipissing	12.05	11.90	12.00	1.587
Ophir	4⅛	3⅛	4	5.000
Pete. Lake	19	16¾	18½	47.150
Porc. Imperial	1⅞	..	..	2.000
Porc. Crown	28	27	27	6.000
Porc. Tisdale	1¾	1⅝	1⅝	150.300
Schumacher	22	20¼	21½	5.000
Teck-Hughes	21	19½	19½	13.400
Timiskaming	43	41¾	43	14.440
Thom.-Krist	7	6¾	7	12.100
Trethewey	36½	32½	36	28.800
Wasapika	1.12	1.03	1.07	15.000
Gifford	1⅝	1¼	1⅝	46.500
Lake Shore	1.27	1.15	1.27	3.900
Davidson	76	..	..	1.000
Mining Corp.	2.15	2.00	2.00	3.190
V. N. T.	20	17	20	4.475
West Dome	9⅝	9	9¼	18,933
Gold Reef	4	3½	3⅞	13,500

ONTARIO'S OIL FIELDS

Production of Less Than 300,000 Barrels Last Year

Although consumption of oil in Canada is estimated at over 10,000,000 barrels per annum, the total production at present is scarcely over 300 000 barrels for the whole country largely obtained from the oil-fields of South-Western Ontario. In 1918, 288 000 barrels of oil were obtained in Ontario, which was an increase of about 85,000 barrels over 1917, largely due to the increased development of the Mosa field, which produced 21,000 barrels in 1917 and 109,000 in 1918.

Production of oil in Ontario in 1918 was as follows:

	Barrels
Petrolia and Enniskillen	65,467
Oil Springs	44,671
Moore Township	6,366
Sarnia Township	3,437
Plympton Township	411
Bothwell	29,116
Tilbury, including Dover Twp.	25,227
Dutton	1,875
Onondaga	1,186
Belle River	447
Mosa Township	108,988
Thamesville	1,565
Total	288,760

WASAPIKA

Details of the consolidation of Wasapika Gold Mines with three mining properties to the north have been practically completed. The consolidation will be known as Wasapika Consolidated, and will be capitalized at $6,000,000. Wasapika Gold Mines will receive three million shares of the new stock, two million shares will be put in the treasury to be issued as further funds for development are needed, and one million shares will go to the owners of the new properties to be included. Present Wasapika shareholders will receive three shares of the new stock for every share held at the present time.

CONSOLIDATED SMELTERS

Ore receipts at the Trail Smelters for the first week of November amounted to 4.233 tons, as compared with 4,520 tons for the corresponding period in 1918. From October 1, 1918, to November 7 1919, the ore receipts totalled 347,712 tons.

PEACE YEAR POOR ONE FOR GRANBY CO.

Labor Troubles and Low Copper Prices Reduce Company's Surplus

Serious labor troubles, the influenza epidemic, and the lowered market price for copper have tended to make the annual report of the Granby Consolidated Mining, Smelting and Power Company, Ltd., for the year ending June 30, 1919, one of the poorest in some years. There was an operating deficit of $984,409, but as dividends amounting to $1,312,537 were paid, the profit and loss surplus was reduced by $2,296,946. The surplus account now stands at $1,124,409. Last year it was $3,429,417, and at June 30, 1917, it was nearly $9,500,000.

Production for the year was much curtailed in all lines. Copper production totalled 28 334,710 pounds, a considerable reduction from the high water mark of 1916, when 42,198,083 pounds was produced. Silver production amounted to 568,008 ounces, which compares favorably with production in former years, and gold produced amounted to 23,389 ounces, a substantial reduction from the average yearly output. Silver brought in increased returns, but the average price received during the year for copper was only 17.71 ounces. Only some 16,000,000 pounds were sold owing to the curtailed demand. The report says:

"Certain forward steps have been taken which promise to have a very important bearing on the future, two of which seem to have reached fruition. We have achieved our independence so far as coal and coke are concerned; we are already producing, and apparently this is the last year in which we shall be to any extent dependent upon others. We have demonstrated that our concentration process is applicable to the low grade ores of which we have some fifteen million tons, the value of which has heretofore been regarded as problematical."

Stock Movements of the Week

Week ending November 12, 1919.

	Ask	Bid	High	Low	Close	Sales	Yield to Nov. 12
Banks—							
Commerce	199	198	199	196	199	61	6.00
Dominion	205	203½	204	204	204	13	5.85
Hamilton	195½	194½	195½	195	195	19	6.15
Imperial	199	197	199	198¼	198½	149	6 03
Merchants	191	188	193	188	189	57	5.82
Molsons	193	191	191	191	191	4	6.31
Montreal	208½	207	208	207¾	207¾	16	5.76
Nova Scotia	273	272	275	273	275	17	5.86
Royal	...	213½	216½	213	216	79	5.55
Union	162	...	160	160	160	41	6.09
Transportation—							
Barcelona	8	7⅞	8	7½	8	203	....
Brazilian	51½	51	53¼	50	51¼	3016	....
Can. Steamships, com.	73¼	72½	73	69	71	1685	5.88
Do., pref.	85⅜	85	85½	85	85	782	8.23
Detroit United	106	105	108	106	106	625	7.47
Illinois Traction, pref.	70	68	70	70	70	3	8.57
Montreal Tramways	...	...	120	120	120	6	8.00
Quebec Railway	23½	22½	25	22¼	22¾	2612	....
Toronto Railway	43	40	41½	40	40½	128	....
Twin City	41	38	45	41½	41½	54	....
Telegraph, Light, Power—							
Bell Telephone	118	...	117	116½	117	40	6.83
Consumers' Gas	...	150½	152	150⅛	152	167	6 80
Macay, com.	79½	79	79½	79½	79½	140	7.59
Do., pref.	67	66¾	66⅜	66¼	66⅜	167	6.06
Mont. L., H. & P. Cons.	...	88⅞	89¼	88¾	88¾	1321	5.61
Shawinigan	117⅞	117¾	118¼	118	118	742	5.93
Industrial—							
Abitibi P. & P., com.	171¾	...	175	166	170	3304	3.72
Ames-Holden, com.	118¼	118	121½	113½	118	4191	....
Do., pref.	115¼	115	115⅛	112½	115	4140	6.36
B. C. Fish, com.	63	62½	63	61	62½	320	9 67
Brompton P. & P., c.	75	74	78	74⅛	75½	6585	6.66
F. N. Burt, com.	107¾	105½	106½	105½	106½	41	7.54
Do., pref.	107¾	105½	106½	106	106⅜	111	6.60
Canada Bread, com.	26	25	25½	22	25½	845	....
Canadian Car, com.	50	49	51	48⅝	49½	1280	....
Do, pref.	100	98	100	97½	99	731	7.14
Canada Cement, com.	72	71½	72¼	70½	72	383	8.33
Do., pref.	100	99	100	99¼	99¼	258	7 00
Can. Converters	71	..	71½	71	71	367	7.35
Can. Cottons, com.	91½	91	92	92	92	75	6.52
Do., pref.	..	..	82	82	82	30	7.31
Can. Fdrs. & Forg., c.	192	190	193	185	193	2109	6.48
Can. Gen. Elec., com.	108	107½	109½	108	109½	172	7.20
Carriage Fact., com.	...	...	24	24	24	55	....
Do., pref.	74	...	74½	74½	74½	125	....
Dominion Bridge	107	106	107	105¾	107	897	7.40
Dom. Canners, com.	...	...	60	58	59	425	....
Do., pref.	...	88	89	89	89	20	7.95
Dom. Steel Corp.	72¾	72¼	73¾	70	72½	23097	8 57
Dom. Iron & S., pref.	...	...	96	94	94	81	7.44
Dom. Textile, com.	120	118	120	117	119	259	6.72
Do., pref.	105	...	105½	105	105½	5	6.66
Goodwins, Ltd., com.	...	...	25	25	25	12	....
Do., pref.	...	70	72	70	70	40	....
Lake of Woods	...	228	228	228	228	70	5.24
Do., pref.	110	...	108	108	108	5	6.60
Laurentide	229	227	237½	227	227	825	5.19
Lyall Construction, c.	140	138	147	138	140	2951	6.40
A. Macdonald, com.	36¼	36	37	36	36	720	....
Maple Leaf Milling, c.	205	196	196	195	196	215	6.21
Do., pref	103	...	103	102¾	102¾	69	6.79
Montreal Cottons, c.	84	83	84	83	83½	90	6.09
Nat. Steel Car, com.	4¾	4	4¾	4¾	4¾	50	....
Do., pref.	26	24	25	23	24	100	....
Ogilvie Flour, com.	298	293	298	293	293⅜	360	4.06
Do., pref.	...	...	107	107	107	10	6.48
Ont. Stock Products, c.	50	49¾	50	46½	50	515	....
Do., pref.	...	...	79½	79½	79½	25	7.77
Pacific Burt, com.	35	33	34	30	34	27	5 71
Do., pref.	86	84	84	84	84	13	8.33
Penmans, com.	106	105	105	105	105	75	6.66
Do., pref.	...	...	92½	92½	92½	10	6.45
Price Bros.	...	...	250	245	245	15	3.26
Riordon P & P., com.	146	145	150	146	146	970	7.09
Do., pref.	...	...	98	97	97	26	7.14
The A. Rogers, com.	72	70	70	70	70	47	....
Do., pref.	94	...	94	90	90	26	....
Sawyer-Massey, pref.	63	61	62	60	61	55	....
Sher.-Williams, com.	...	...	75	75	75	5	....
Smith Paper Mills, c.	145	142	144	142	142	50	....
Span. River Pulp, com.	66	65	69	65	65½	2618	....
Do., pref.	117	116½	117¾	115¾	117	1213	....
Steel Co. of Can., c.	75	74¾	76	74	75¼	10174	8 69
Do., pref.	99¼	99	99½	99	99½	210	7 07
St. Lawrence Flour, c.	117	116	119½	118	118	375	5.21
Tooke Bros., com.	...	...	67	67	67	5	....
Tuckett Tobacco, com.	53½	51	53	51	51	38	....
Wabasso Cotton	...	102	102	102	102	25	7.76
Wayagamack, com.	76½	76	83	76	78	3235	....
Atlantic Sugar, com.	73½	73	74¼	73	73½	3450	....
Do., pref.	...	122	123	122	122	215	....
Dominion Glass, com.	64⅝	64	65¼	63	65	909	....
Do., pref.	...	...	91½	91½	91½	50	....
Asbestos Corp., com.	86	85¾	86	88	86	381	....
Do., pref.	...	...	96	94	96	80	....
Nat. Breweries, com.	...	171	178	171	171	129	....
Do., pref.	...	...	96	96	96	5	....

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George W. Allan, M.P.
Col. A. E. Gooderham
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OF CANADA
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Reserve Fund - - -	18,000,000
Total Assets, over - -	220,000,000

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H. A. Richardson, General Manager

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Collections made at lowest rates and returns promptly remitted. Accounts of firms, corporations and individuals carried on most favorable terms.

Correspondence Solicited

LLOYDS BANK LIMITED.

Head Office: 71, LOMBARD ST., LONDON, E.C. 3.

CAPITAL SUBSCRIBED -	£56,150,350
CAPITAL PAID UP - -	8,984,056
RESERVE FUND - -	9,071 250
DEPOSITS, &c. - -	309,328,800
ADVANCES, &c. - -	92,784,877

THIS BANK HAS OVER 1,400 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
London Agency of the IMPERIAL BANK OF CANADA.
The Agency of Foreign & Colonial Banks is undertaken.

Affiliated Banks:
THE NATIONAL BANK OF SCOTLAND, LIMITED. THE LONDON & RIVER PLATE BANK, LIMITED.
Auxiliary:
LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LIMITED.

WE OWN AND OFFER:

Amount	Security	Int. Rate	Maturity	Price to Yield
$40,000	Grand Trunk Pacific............ Guaranteed by Province of Saskatchewan.	4%	1939	6%
$25,000	Grand Trunk Pacific .... Guaranteed by Dominion of Canada.	3%	1962	5½%
$25,000	Canadian North Western Ry..... Guaranteed by Province of Alberta.	4½%	1942	6⅛%
$50,000	Province of Alberta	4%	1922	6¼%
$30,500	City of Lethbridge	4½%	1939	6½%
$10,000	City of Edmonton School	5%	1953	6½%

MacKay & MacKay, 306-7 C.P.R. Bld., TORONTO
Telephone Adel. 5682-3

CITY OF TORONTO
$2,632,000 SERIAL GOLD BONDS

Sealed tenders, endorsed "Tender for City of Toronto Bonds," addressed to Thomas L. Church, Esq., Mayor and Chairman of the Board of Control, will be received by the undersigned until 12 o'clock noon, Thursday, 27th November, 1919, for the purchase of $2,632,000 bonds issued for various purposes, under several By-laws, and due 1920-1949 (approximate average maturity of the whole, 14 years).

Full details as to the purposes for which the bonds are issued, and amounts maturing annually, together with financial statement of the City, will be furnished on application.

The legality of the issue has been approved by Mr. J. B. Clarke, K.C., of the legal firm of Clarke, Swabey & McLean, Toronto, and his favorable opinion will be engraved on each bond.

The bonds are an obligation of the City at large, are issued in coupon form, with provision for registration of principal, bear date September 1st, 1919, and are of the denomination of $1,000.

They are payable both as to principal and interest in gold in Toronto and New York, and carry interest at the rate of 5½% per annum, payable half-yearly on the 1st of March and September, the first half-yearly installment of interest being due and payable on the 1st of March, 1920.

Engraved bonds will be ready for delivery upon acceptance of tender, but delivery must be taken and payment made not later than 4th December, 1919, with accrued interest from the 1st September, 1919, to date of payment. Delivery and payment are to be made at the office of the undersigned, and in view of the premium on New York Funds, tenderers may submit two bids—one for payment in New York Funds, and the other for payment in Toronto Funds.

Tenders will be received for the bonds issued under any number, or all, of the By-laws, but not for a part of those issued under any one By-law.

A certified cheque, payable to the undersigned, for 2% of the par value of the bonds tendered, must accompany the tender.

Tenders specifying for bonds other than those herein described, or containing conditions varying from the above, will not be considered.

The right is reserved to reject any or all proposals.

T. BRADSHAW,
Commissioner of Finance.

Treasury Department,
City Hall, Toronto, Canada, November 15th, 1919.

MONEY BANKING AND EXCHANGE

WEEK ENDS WITH EXCHANGE FUTURE STILL UNCERTAIN

All Exchanges Dip to Levels Hitherto Unheard of in New York

SOME OF THE CAUSES

United States Signature on Peace Treaty Would Probably Have Stimulating Effect—The General Outlook

After a week in which all low records in the principal foreign exchanges were broken, bankers are very disinclined to make any prophecies for the future. The end of the week finds the situation improved to some extent, with sterling up several points from the low record of Thursday, and New York funds selling at under 5 per cent. There have been many factors contributing to the plunges all the exchanges took, and, as some of them are still potent, recovery of sterling and Canadian funds to the improved position they occupied a few weeks ago is not looked for immediately. But with such erratic tendencies being shown, anything may happen.

Further tightening up by American banks on their credits sent call money in New York as low as 14 per cent. during the middle of the week, and the transfer of funds from London to New York weakened sterling considerably, while a continuance of the movement of money from Canada to New York inaugurated during the previous week's big slump sent up the rate for New York funds.

Shipments Under Way

The settlement of the longshoremen's strike in New York City released for shipment millions of dollars' worth of goods consigned to European ports that have been held up for weeks. The immediate effect of the release of those goods was to weaken foreign exchanges still more. The third and probably the most important reason for the sagging of exchange quotations during the week was the failure of the United States to ratify the peace treaty, postponing as it does, or, at least, hindering, the rehabilitation of Europe, still in a very unsettled condition industrially.

What of the immediate future? A great deal depends on the United States Senate. The ratification of the peace treaty probably would have a very stimulating effect on sterling, francs and lira, and even on German marks. But it is pointed out that with winter coming on, Europe will find it hard to carry on with its reconstruction programs, and this would mean a postponement until spring of any really important gains in their rates on New York.

New York funds are affected to a large extent by quotations for sterling and francs, and for low sterling quotations means an increased transfer of funds to Britain to take advantage of the rates, and this indirectly affects the rates for Canadian funds.

Sterling Under Four Dollars

Sterling's low for the week was $3.99½, reached on Thursday, and it is the lowest quotation on record. New York funds rose to 5¼ on Wednesday also a low record, the previous record of 5 1-16 having been established last August.

Variations in the rate for New York funds during the week have been as follows:

Nov. 14.—New York funds opened at 4 5-32, selling up to 4¼. Rose further to 4 5-16, and closed at 4 11-32.

Nov. 15.—New York funds opened at 4 11-32 and closed upwards at 4⅜.

Nov. 17.—Funds were 4 11-32 at the opening, and shaded off to 4 5-16. Close was strong at 4⅜.

Nov. 18.—New York funds at the opening were quoted at 4 7-16, and gradually rose during the day. Quotations were 4 17-32, 4 21-32 and 4 11-16 bid at the close.

Nov. 19.—Highest quotations on record were noted in New York funds to-day. Opening at 4 11-16 bid, funds rose to 4 13-16, 4⅞, 5% and 5¼. Later quotations eased off to 5⅛, 5 1-16 and the close was at 5%.

Nov. 20.—Funds opened at 5% nominal, but sold down to 4 15-16. Further sales were recorded at 4⅞ and the close was 4 11-16.

Sterling and francs have shown the following fluctuations:

	Sterling Demand	Sterling Cables	Francs Demand	Francs Cables
Nov. 14	4.11⅝	4.12⅜	9.46	9.44
Nov. 15	4.10¼	4.10⅛	9.77	9.75
Nov. 17	4.08¼	4.09	9.57	9.55
Nov. 18	4.06¾	4.07½	9.63	9.61
Nov. 19	4.03¾	4.04½	9.79	9.77
Nov. 20	4.01¼	4.02*	9.78	9.76

*Opening quotation. Low for day was: demand, $3.99¼, cables, 4.01¼.

All the minor exchanges were affected by the week's movements, and German marks went a-begging in New York at 2¼ cents during the week, not very wholesome news for those who have been purchasing "calls" on marks for nine months at 4⅛ cents.

The employees of the Royal Bank of Canada, to the number of 5,000, will receive a bonus of 20 per cent. on their salaries, in commemoration of the fiftieth anniversary of the foundation of the bank. The bonus will be payable December 15. Recently it was announced that the shareholders would receive a bonus of two per cent., in commemoration of the anniversary.

MOLSONS

Malcolm Mahon, ledgerkeeper at the Alvinston branch of the Molsons Bank, has been transferred to the branch at Amherstburg to take up sub-agency duties.

COMMERCE

A branch of the Canadian Bank of Commerce has been opened at St. Cyrille de Wendover, Que., which will be operated as a sub-agency to the Drummondville branch.

R. T. Mussen, manager of the Stratford branch of the Bank of Commerce, has resigned and will retire from business life after forty years' service with the bank, seven of which were spent in Stratford.

HOME

The Home Bank of Canada has opened a new branch in temporary premises at 1445 East Dundas street, London, Ont.

A new branch in Toronto, on the corner of Roncesvalles and Neepawa avenues, has been opened with P. J. Quigley in charge.

IMPERIAL

W. H. Sellens, who for two years past has been manager of the Prince Albert branch of the Imperial Bank, has been appointed assistant manager of the branch at Edmonton. Mr. Sellens will be succeeded at the Prince Albert branch by E. J. Case.

HAMILTON

Arrangements have been completed whereby the Bank of Hamilton will take over the present quarters of the Bank of Nova Scotia in the Canada Life Building, on St. James Street, Montreal.

The Bank of Nova Scotia some months ago acquired the Eastern Township Bank Building and will move to quarters there early next year. When this is done the Bank of Hamilton will enter the vacated premises, a long lease having been arranged for with the Canada Life Co.

The general manager explained that the present branch of the Bank of Hamilton in McGill Street will be continued as before, giving the bank two branches in Montreal.

DOMINION

A branch of the Dominion Bank has been opened at Mount Forest, Ont.

TORONTO

A branch of the Bank of Toronto has been opened on the south-west corner of Wellington and Dundas streets, London, Ont., under the management of G. St. John, of the inspection staff of the bank, who, previous to enlisting for military service, was manager of one of the Western branches of the bank.

UNION

A branch has been opened at Dropmore, Man., thus giving the Union Bank of Canada now 382 branches in Canada. C. R. Ivey, Russell, Man., has been appointed accountant-in-charge and F. R. Moore, of Rapid City, Man., teller.

H. B. Shaw, general manager, was expected to sail from England this week on his return trip to Canada, after a visit to the bank's two branches in London and the new branch of the Park-Union Foreign Banking Corporation in Paris. Mr. Shaw will arrive in New York early next week.

F. S. Tweedley, Fort William, Ont., has been appointed accountant at Russell, Man.

J. G. Protheroe, MacNutt, Sask., has been transferred to Roblin, Man.

E. K. Smith, of Fort Saskatchewan, Alta., has been appointed relieving manager at Leader, Sask.

H. V. Stockfish, returned from military duty, has been attached at Toronto.

D. M. Neeve, manager of the main Toronto branch, was this week awarded the honor flag because of the branch's record in the Victory, 1919, Loan. The staff subscribed 100 per cent.

Galt branch of the Union Bank of Canada had a notable record in the Victory Loan campaign, winning the honor flag with 14 crests. Every member of the staff subscribed, the amount totalling 24.9 per cent. of the salaries paid at that branch.

Miss M. M. Smith has re-entered the service at Wheatley, and has been appointed teller.

R. H. Boucher, Ottawa (Market Branch), has been transferred to Alexandria as teller.

A. R. McGregor, Alexandria, has been appointed teller at Portland branch.

BANK OF ENGLAND.

London, Nov. 20.—The weekly statement of the Bank of England shows the following changes:—

Total reserve, increased......	£ 205,000
Circulation, decreased	226,000
Bullion, decreased	216,500
Other securities, increased....	1,199,000
Public deposits, increased....	1,107,000
Other deposits, decreased......	7,435,000
Notes reserve, increased......	261,000
Gov. securities, decreased....	7,725,000

The proportion of the bank's reserve to liabilities this week is 17.49 per cent.; last week it was 16.43 per cent. Rate of discount, 6 per cent.

BANK STOCK QUOTATIONS

	Last Nov. 13	Sale Nov. 20	Ch'ge
Commerce	200¼	199	— 1¼
Dominion	205	204½	— ½
Hamilton	195	194½	— ½
Imperial	199	198	— 1
Merchants	188½	190	+ 1½
Molsons	190	191	+ 1
Montreal	208	208	....
Nova Scotia	273	275	+ 2
Toronto	*197	196	— 1
Royal	215½	216	+ ½
Union	164	160	— 4

*Last previous sale.

ALL BUT FIVE CITIES SHOW HIGHER RETURNS

Both Montreal and Toronto Report New High Levels

WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities.	Nov. 20, 1919	Change	%
Montreal	$ 166,627,836 +	$ 61,815,541	58.9
Toronto	109,660,177 +	26,203,963	31.4
Ottawa	16,879,925 +	7,222,472	74.7
Hamilton	8,720,975 +	1,630,060	22.9
Quebec	8,070,978 +	2,213,656	37.7
Halifax	5,847,988 —	227,855	3.7
London	4,886,435 +	1,455,231	42.4
St. John	4,168,048 +	1,390,630	50.0
Brantford	1,731,383 +	613,177	54.8
Peterboro	964,054 —	100,327	9.4
Sherbrooke ...	1,202,596 +	83,668	7.4
Kitchener	1,418,829 +	522,699	58.3
Windsor	3,092,815 +	1,318,325	74.3
Total, East. ..	$ 333,272,039 +	$104,141,240	45.4

Western Cities	Nov. 20, 1919	Change	%
Winnipeg	$ 69,156,557 —	$ 3,564,025	4.9
Vancouver	18,484,736 +	5,877,366	46.6
Calgary	11,004,418 +	2,950,427	36.6
Edmonton	6,361,807 +	2,650,458	71.4
Victoria	4,142,005 +	2,108,197	103.6
Regina	6,182,474 +	848,160	15.9
Saskatoon	2,972,502 +	653,229	28.1
Moose Jaw ...	2,332,386 —	669,255	22.3
Ft. William ..	1,237,439 +	300,785	32.0
Brandon	1,058,336 +	32,612	3.1
Lethbridge ...	859,256 —	215,222	20.0
N. Westminster	836,210 +	222,192	36.1
Medicine Hat..	578,366 +	67,557	13.2
Prince Albert..	698,710 +	270,976	63.4
Total, West. ..	$ 125,905,202 +	$ 11,583,457	10.0
Grand total ..	$ 459,177,241 +	$115,674,697	33.6
Yr. to date.	$13,707,499,462 +	$2,229,443,120	19.4

DIVIDEND NOTICES

Dominion Textile Company
Limited

NOTICE OF DIVIDEND

A DIVIDEND of two per cent. (2%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st DECEMBER, 1919, payable JANUARY 2nd, 1920, to shareholders of record DECEMBER 15th, 1919.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 17th November, 1919.

Murray-Kay Co., Ltd.

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of three and one-half per cent. (being at the rate of seven per cent. per annum) has this day been declared on the preferred shares of the Company for the six months ending October 31st. 1919, said dividend to be paid on 1st of December next.

By Order of the Board.
J. E. FEATHERSTONHAUGH,
Secretary.
Toronto, November 20th, 1919.

Belding Paul Corticelli Limited

DIVIDEND NO. 20.

NOTICE is hereby given that on the deferred Dividends of the Preference Stock of this Company, the Directors have declared a Dividend of 3½% payable on the 15th of December to Shareholders of record at the close of business the 1st day of December, 1919.

By Order of the Board.
D. R. KENNEDY,
Secretary-Treasurer.

The Wabasso Cotton Company, Limited

DIVIDEND NO. 8.

NOTICE is hereby given that a quarterly Dividend of 2 per cent. has been declared on the Capital Stock of the Company for the quarter ending December 31st, 1919, payable January 2nd, 1920, to Shareholders of record at the close of business on December 15th, 1919.

By order of the Board.
S. B. CAYFORD,
Secretary-Treasurer.
Montreal, November 13th, 1919.

The Sherwin-Williams Co. of Canada, Limited

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the annual general meeting of the shareholders of the Sherwin-Williams Company of Canada, Limited, will be held at the head office of the Company, 897 Centre Street, Montreal, Que., on Saturday the 15th instant at 2.30 o'clock p.m. to receive a statement of the affairs and financial position of the company, and for the election of directors, and for the transaction of such other business as may come before the meeting.

By order of the Board.
J. H. GORDON,
Secretary-Treasurer.

N.B.—The above meeting will be adjourned to Friday, December 12th, 1919, at same hour and place, when the meeting will proceed to business.
Montreal, November 5th, 1919.

WE OWN AND OFFER
Municipal and School Bonds
CREDIT CANADA
LIMITEE
Dominion Express Building
Montreal

DIVIDEND NOTICE

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Monday, the FIRST DAY OF DECEMBER next, to Shareholders of record of 31st October 1919.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 24th October 1919.

The Canadian Bank of Commerce

DIVIDEND NO. 131

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of Twelve per cent. per annum, has been declared for the quarter ending 30th November next, and that the same will be payable at the Bank and its Branches on and after Monday, 1st December, 1919. The Transfer Books of the Bank will be closed from the 17th to the 29th of November next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 17th October, 1919.

The Royal Bank of Canada

FIFTIETH ANNIVERSARY BONUS

NOTICE is hereby given that to commemorate the Fiftieth Anniversary of the founding of the bank, a bonus of 2% upon the paid up capital stock of the bank has been declared, and will be payable at the bank and its branches on and after Saturday, the 20th day of December next to shareholders of record at the close of business on the 29th day of November.

By order of the Board.
C. E. NEILL,
General Manager.
Montreal Que., November 11, 1919.

The Bank of Nova Scotia

DIVIDEND NO. 200

NOTICE is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending December 31st, and that the same will be payable on and after Friday, the second day of January next, at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board.
H. A. RICHARDSON,
General Manager.
Halifax, N.S., November 14th, 1919.

Canadian General Electric Co., Limited

COMMON STOCK DIVIDEND NO. 82

NOTICE is hereby given that a quarterly dividend of two per cent. for the three months ending the thirty-first day of December, 1919, being at the rate of eight per cent. per annum, has been declared on the Common Stock of the Company.

The above dividend is payable on and after the first day of January, 1920, to Shareholders of record at the close of business on the eleventh day of December, 1919.

By order of the Board.
W. H. NESBITT,
Secretary.
Toronto, November 13th, 1919.

Hollinger Consolidated Gold Mines Limited
(No Personal Liability)

DIVIDEND NO. 69.

A DIVIDEND of 1% upon the outstanding capital stock has been declared payable 2nd December, 1919, on which date cheques will be mailed to shareholders of record at the close of business on 20th November, 1919.

D. A. DUNLAP,
Treasurer.
Dated November 14th, 1919.

BANK OF HAMILTON

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Three per cent. (Twelve per cent. per annum) on the paid-up capital of the Bank, for the quarter ending 30th November, has this day been declared, and that the same will be payable at the Bank and its branches on 1st December next, to shareholders of record at close of business November 20th.

By order of the Board.
J. P. BELL,
General Manager.
Hamilton, 20th October, 1919.

NEWS AND VIEWS FOR MANAGERS

WOULD MAKE NOTE FOR SIX, NINE OR TWELVE MONTHS

Western Manager Who Argues for Longer Term of Usance

TO MEET CONDITIONS

Can See No Advantage in Making Frequent Renewals When Farmer is Not in a Position to Pay

Why should a customer's note be for three months? A Western branch manager asks this question and in the article which follows proceeds to argue that in the case of farm loans the three months is unbusiness-like and un-natural. He contends that in the case of an experienced manager and a farmer customer in good standing the loan would be much better made for the period required—six months or a year—and points out in a practical way that the banker should know the purpose of the loan and when he can reasonably expect repayment. Advances are usually made in connection with the crop or live stock and the repayment is naturally made after the sale of the marketable product.

The subject is a live one. This Westerner thinks that Eastern opinion will be against him. This may be true of head offices or of city managers but I am inclined to think that country managers will generally endorse his views. In any event, other opinions would add to a discussion of a very live banking question. If there are changes which can be made in present regulations this department provides a medium for bringing them to the attention to higher officials.

As one who has lived and worked both East and West, I cannot refrain from expressing regret that this correspondent draws the dividing line so emphatically. I have never found that economically, politically or socially there are high barriers or serious divergences of views when fundamentals are considered. Besides, he is unfair to Kipling, who also referred to the strong men who would rise up and draw East and West together. This is the day of such "strong men."—J. W. T.

As the deposits of a bank are subject to withdrawal on demand, or at short notice, it has always been considered good banking to take only short-dated paper for discount. Indeed this conception has been held as a fundamental principle of good banking for so long that trained bankers, especially trained Eastern bankers, are apt to look askance upon any proposal to lengthen the terms for which paper of any kind is discounted. The Eastern bankers are prone to tell us that principles which have been tried out and proved good in the East are consequently good in the West. But it is Kipling who says:

"O! East is East, and West is West
And never the twain shall meet,

'Till Earth and Sky stand presently
At God's great Judgment Seat."

Which means that the opposing views of the East and the West will never be harmonized in this life, that it is rather a hopeless task for a mere Western bank manager to attempt to convince an Eastern banker that it is good banking practice to draw loan bills for a longer period than three months.

Natural Loaning Periods

In his admirable book on "Banking Practice," E. L. Stewart Patterson points out very clearly the wisdom of making short-dated loans. He shows that the branch manager who desires to make a brilliant record and who wishes to fit himself for the large city branches should give careful attention to the matter of keeping down the average currency of the bill file. In dealing with the item "Current Loans and Discounts" in the monthly Government return, Mr. Patterson divides these terms into "advances to customers" and "bills and notes maturing." The latter class consists principally of paper with a currency of from sixty to ninety days. If the paper is high-class, payment at maturity can be relied on so that these short-dated notes have considerable value as a supplementary reserve.

Unfortunately for the young and ambitious branch manager, who is anxious to make a good record by reporting short-term discounts, this highly desirable paper is only met with in the larger and more important offices, to the management of which he aspires. It is patent to the humblest country manager that if he makes a loan in January to a farmer whose only source of repayment is his crop of wheat, which will not be ready to sell until October at the earliest, or if he loans a rancher money in the fall to buy calves, which will not be ready for the market for two and a half years—it is patent to this manager that he cannot qualify for higher positions by keeping down the average currency of his bill wallet. Of course he can disguise the true nature of the transaction, both to himself and to his head office, by drawing the notes for three months and renewing them until the grain is sold or until the cattle are brought to maturity. But has he any supplementary reserves? Is he not still making long-term loans? If the farmer is to grow grain profitably he must have credit, and the credit must run from the time he needs the money in the winter or early spring until the fall, and if there is a crop failure the loan must be carried for twelve months longer. As all the country managers have been doing this long-term lending ever since branch banks were opened in the West without adversely affecting their reserves and without causing embarrassment to their banks, is this not sufficient proof that the practice constitutes safe banking?

A Saving of Time

Consider the tremendous waste of the banker's time in handling a farmer's account on the short currency system. The farmer starts to borrow in November and his note must be renewed in February, again in May, again in August and possibly again in November—five interviews. Date the note at six months in the beginning, renew for six months and you reduce five operations in two. In the first place, five note forms, in the second only two. On the one hand, four notices to obligants with postage of eight cents, and probably four notices are past due bills; on the other hand half as many notices and half as much postage. At an active discount branch these unnecessary interviews and the large number of notices and past due bills become a real burden, and many a manager's efficiency has been impaired by this fruitless multiplication of detail. Nor is this all. The various renewal transactions must be reported in the head office returns with a further waste of time of the branch staff and of the head office officials. It was not a matter of surprise that the farmer did not like it. He was also a busy man, and he knew that he could not repay the loan until after threshing. Why should he be bothered with these renewal notices and frequent trips and long drives to the bank? So naturally he complained, and it is to the credit of the Western representatives of the banks that they got the farmers' viewpoint, and in October, 1916, they announced that they would endeavor to meet as far as possible the convenience of the farmers in the matter of the issuance of promissory notes.

A Danger to Avoid

But there is a danger in making long-term loans which must not be forgotten. Events may arise which may prejudice the borrower's financial position and imperil the safety of the bank's advances. The customer may die—or even his horses. His other creditors may become uneasy and demand security or take legal action to collect their debts. There may be a crop failure, as a result of which the borrower may become discouraged and give up the battle. It will, therefore, not be advisable to make long-term loans indiscriminately any more than it is advisable to make any kind of loans indiscriminately. If the farmer's position is at all weak, the loan may be made on chattel mortgage security where, if the margin is ample, the note may still be drawn at six months in safety. Or for an old advance land mortgage security may be obtained and the usance extended. Of course, in most such cases this form of security should be taken any way and the points is that if loan is made reasonably safe by collateral security the term of the note may be lengthened. Then there is the question of damage from hail. A farmer's prospects might be bright in July but gloomy in the extreme after a devastating hail storm in August. There are still some farmers who do not believe in hail insurance, others who neglect it; hence, in making loans early in the season it is often advisable to fix the maturity about the middle of June or the first of July, when the lodgment of hail insurance policies may be made a condition of renewal.

In the case of farmers in first-class standing, men who are established on permanent farms, comparatively free of mortgage debts, with the titles to their property lodged with the bank for safe keeping, men who are business-like in their methods, who are not apt to take foolish chances on hail or anything else, men in whom the manager has every confidence—why limit the usance to six months? The money cannot be repaid until the fall; the borrower wants it until the fall and the bank wants to lend it for that time. Why not be entirely consistent, wholly obliging, and draw the note until the date on which payment is expected, even if the bill is to run twelve months? Perhaps some day that may come about.—F.W.W.

ARE MANAGERS CIVIL AND POLITE TO CUSTOMERS?

Calgary Manager Strong For Return of Old-Fashioned Courtesies

A CUSTOMER'S VIEW

Says These Qualities Are Not Known Among Employees of the Larger Banks—Says Farmers Insulted

C. A. Chesterton, Calgary manager of the Union Bank of Canada, is a strong advocate of a return of the somewhat old-fashioned business courtesies, particularly as applied to banking service, and it is interesting to find a public response in this very connection.

"Cultivated civility and common courtesy have almost disappeared in modern banks and business houses," Mr. Chesterton points out, continuing: "Young people do not seem to see the value of the civility which costs nothing, but is always worth much and often so very much."

Writing under the cryptic title of "Sir" in the current issue of the Union Bank Monthly, Mr. Chesterton's plea was given publicity in the Calgary "Herald," and immediately following publication of the article the editor's mail bag contained letters supporting Mr. Chesterton's arguments, from the viewpoint of the public.

In his message which was directed, of course, primarily to the staff of the Union Bank of Canada, Mr. Chesterton said:

> Lately we have entertained a most distinguished guest. I ask the young men and young women of Canada, what was one of the great secrets of the charm and consequent popularity of the Prince of Wales—undoubtedly his considerate civility and his perfect politeness. Yet there was no sign of condescension, nothing patronizing, nothing artificial.
>
> That splendid poise and perfect politeness, now so natural, is the result of a discipline of body and mind that has resulted in an easy, natural habit or second nature. It is easy to apologize for bad manners and crude courtesy by saying, "We Westerners hate hide-bound convention and conventionality." But the Prince's perfectly easy demeanor gives the lie to our explanation. There is no excuse for our lack of courtesy—there is no apology for bad form and the familiarity that breeds contempt.
>
> The type of man in our banks to-day too often offends rather than commends. He is a great contrast to his fellow of a century ago. It was no effort for the bank clerk of former days to say "Sir." He lost no dignity because, so long as he was behind the counter, he was dealing with the public and recognized himself as the servant of the public. To know the importance of the word "Sir" and to understand the value of the word "Sir" in proper proportion are wonderful assets in business relations.
>
> If young men of to-day, and, notably those on the staff of the banks, only realized how much depends on first impressions. A man usually forms a favorable or unfavorable idea of a bank and its staff according to first impressions and these are due to the subtle and far reaching influence of a courtesy, a civility, a consideration that is as natural as breathing. Men that have this courtesy, that is apparently so natural and easy, have been and are rigid with themselves. They even refuse to call one another by their first names during business hours. It is always "Mr." to every one of his associates, as it is "Sir" to the business men to whom he is giving service during business hours. He reserves easy familiarity for the club or the golf course.
>
> In a word, he magnifies his office, quite unconscious, perhaps, that he is but following the wisdom of a greater than Solomon. "Whosoever will be great among you, let him be your minister and whosoever will be chief among you let him be your servant."
>
> If members of the staff of this bank have grasped the value of common courtesy and the civility, without servility, that can use the word "Sir" and "Mr." in business hours with the public and one another, this short article will not have been written in vain.

Giving the outside viewpoint—and revealing the tendency of the public to resent the treatment often accorded to them by bank clerks—the following reply letter published in the Calgary "Herald" will be of wider interest:

"I am pleased to see the value set on civility in banking business by Mr. Chesterton, of the Union Bank of Canada. It is an unknown quantity among employees of the larger banks (the smaller ones being more obliging for policy sake) even to the extent of using profanity to its customers; and because reporting same to their superiors would receive no notice the same are forced by circumstances over which they have no control (I refer to farmers especially), i.e., weather conditions, etc., to endure insults and discouragements, when the reverse should maintain in their business relations. Too many country branch managers are alsolutely dense as to reading human nature. Instead of inspiring confidence they suspect and question even the veracity by way of inference of men whom they have not known before, though they may have lived and done business in the community for years, their financial standing being O.K. Another reason is, they themselves have nothing at stake and not interested in the community, and will be leaving perhaps and doing something else which is more remunerative. (For by the way, banking business has not much in it for some of these young men), but why should the customer be made to bear the insults added sometimes to injury (for I agree with Mr. Chesterton they are offensive to say the least), done by these irresponsible men? Without debating on any change in our banking system, 'the necessity of which is very apparent,' I would like at least to see civility tendered to men in doing banking business the same as we have it in other lines.

"I am yours for a bright, optimistic and courteous treatment in any business to ensure success.

"JAMES CROWTHER."

Rockyford.

WANTED

By an old and well established Ontario Trust Company, the services of an energetic young man with a working knowledge of legal practice.

A large portion of his time will be spent in extending business by means of personal calls upon prospective clients.

An attractive personality is desired but salesmanship experience is not essential.

Prospects of future advancement are bright. State your past experience and present situation.

Apply Trust Company, Box 9, The Financial Post, Toronto.

U.S. BANK FAILURES

WASHINGTON.—Ten months of the current calendar year have passed and there has been no failure involving loss to depositors of any national bank in the entire country, according to a statement issued November 4, by the Comptroller of the Currency.

From January 1, 1918—22 months ago—to the present time, there has been only one such failure in the United States among National banks, a small bank in California. On November 1, 1919, there were 7,900 National banks in operation.

This record for immunity from failure is the best in the history of the National banking system; and is 30 times, or 3,000 per cent., better than the average annual record for the forty preceding years.

For the first ten months of the current calendar year, 221 charters for new National banks have been granted, with an aggregate capital of $20,130,000, as compared with 132 charters with an aggregate of $12,125,000 for the same months in 1918.

During the ten months ending October 31, 1919, 298 National banks increased their capital by $42,658,000; in the same period last year, 151 National banks increased their capital $16,379,000.

GOVERNMENT, MUNICIPAL and CORPORATION BONDS

R. A. DALY & CO.
Bank of Toronto Bldg.
TORONTO

BANK OF MONTREAL

ANNUAL STATEMENT

Statement of the result of the business of the Bank for the year ended 31st October, 1919.

GENERAL STATEMENT

31st October, 1919

LIABILITIES

Capital Stock		$ 20,000,000.00
Rest	$ 20,000,000.00	
Balance of Profits carried forward	1,812,854.43	
	$ 21,812,854.43	
Unclaimed Dividends	8,621.49	
Quarterly Dividend, payable 1st Dec., 1919	600,000.00	
		22,421,475.92
		$ 42,421,475.92
Notes of the Bank in circulation	$ 43,922,844.00	
Deposits not bearing interest	129,946,641.02	
Deposits bearing interest, including interest accrued to date of statement	312,655,964.44	
Deposits made by and Balances due to other Banks in Canada	2,110,833.25	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	4,122,490.91	
Bills Payable	4,334,342.79	
		497,093,116.41
Acceptances under Letters of Credit		4,895,505.49
Liabilities not included in the foregoing		891,711.67
		$545,304,809.49

ASSETS

*Gold and Silver Coin Current		$24,742,654.64	
Dominion Notes		49,865,151.50	
Deposit in the Central Gold Reserves		25,200,000.00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	$13,856,808.36		
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks	2,583,910.00		
Call and Short (not exceeding thirty days) Loans in Great Britain and United States	78,255,625.37		
		94,696,343.73	
Dominion and Provincial Government Securities not exceeding market value		63,984,255.10	
Railway and other Bonds, Debentures and Stocks not exceeding market value		8,517,835.56	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian		47,041,359.70	
Notes of other Banks		2,744,153.99	
Cheques on other Banks		21,189,104.58	
			$337,980,858.80
Current Loans and Discounts in Canada (less rebate of interest)		164,182,581.03	
Loans to Cities, Towns, Municipalities and School Districts		15,092,718.13	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest)		15,903,424.98	
Overdue debts, estimated loss provided for		549,133.12	
			195,727,857.26
Bank Premises at not more than cost (less amounts written off)			5,500,000.00
Liabilities of Customers under Letters of Credit (as per Contra)			4,895,505.49
Deposit with the Minister for the purposes of the Circulation Fund			1,038,166.60
Other Assets not included in the foregoing			162,421.34
			$545,304,809.49

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st October, 1918		$1,901,613.22
Profits for the year ended 31st October, 1919, after deducting charges of management and making full provision for all bad and doubtful debts		3,314,227.38
Premiums on New Stock		3,500,000.00
		$8,715,840.60
Quarterly Dividend 3 per cent. paid 1st March, 1919	$572,250.00	
Quarterly Dividend 3 per cent. paid 1st June, 1919	600,000.00	
Quarterly Dividend 3 per cent. paid 1st Sept., 1919	600,000.00	
Quarterly Dividend 3 per cent. payable 1st Dec., 1919	600,000.00	
	$2,372,250.00	
Amount credited to Rest Account	4,000,000.00	
War Tax on Bank Note Circulation to 31st October, 1919	190,986.17	
Subscriptions to Patriotic Funds	39,750.00	
Reservation for Bank Premises	300,000.00	
		6,902,986.17
Balance of Profit and Loss carried forward		$1,812,854.43

VINCENT MEREDITH,
President.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

TO THE SHAREHOLDERS OF THE BANK OF MONTREAL:

We have checked the Cash and verified the Securities of the Bank at the Chief Office on the 31st October, 1919, and also at another time as required by the Bank Act, and we have found them to be in accord with the books of the Bank. We have also checked the Cash and verified the Securities at several of the Principal Branches of the Bank at various times during the year. We have obtained all information and explanations required, and all transactions that have come under our notice have been, in our opinion, within the powers of the Bank. We have compared the above Balance Sheet with the books and Accounts at the Chief Office of the Bank, and with the certified Returns received from its Branches, and we certify that in our opinion it exhibits a true and corrrect view of the state of the Bank's affairs according to the best of our information, the explanations given to us, and as shown by the books of the Bank.

MONTREAL, 17th November, 1919.

J. MAXTONE GRAHAM, }
JAMES HUTCHISON, } Auditors.
GEORGE CREAK. }
Chartered Accountants

THE FINANCIAL POST

Members of the Audit Bureau of Circulation.

President - - - - JOHN BAYNE MACLEAN
Manager - - - - - GORDON RUTLEDGE
Editor - - - - - - J. W. TYSON

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No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration or given any credit for the insertion or inspiration of any item.

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TORONTO, NOVEMBER 22, 1919

A BEATTY WANTED TO LEAD C.M.A.

THE reason for the elevation of Edward W. Beatty to the presidency of the Canadian Pacific Railway was made clear to a large gathering of Toronto business men this week when he addressed the Canadian Club. Head of the greatest corporation in the country, he came to the very home of public ownership sentiment and clearly, moderately and dispassionately discussed the local and national transportation issue, in a manner which carried conviction that whatever the C.P.R. might be able to accomplish for its shareholders would be by serving the best interests of the public. It is the men of the Beatty type, who recognize that the measure of reward to be gained in public service is set by the people themselves, who are to-day heading the world's greatest corporations, and are successfully shaping the course of big business.

Mr. Beatty said that he was opposed to the taking over of the Grand Trunk by the Government, and that he had so expressed himself openly, but he gave emphatic and unequivocal denial to the charges of Hon. Dr. Reid and others that there had been lobbying by the C.P.R. to defeat the measure. He referred also to "local projects"—obviously the Hydro Radials—in Ontario. He intimated that he did not agree as to the expediency of these lines, but with regard to them, if built, and with regard to the National Railways, his great desire was that they should be financially successful, because "nothing is more discouraging than financially embarrassed competitors." From the standpoint of public welfare, he emphasized also that with such great national burdens "no one, no matter in what system of public utilities he believes, can possibly welcome the advent of unsuccessful enterprises."

Mr. Beatty carried conviction to his audience that the Canadian Pacific Railway had for its great aim the serving of the public, believing that efficiency in such service would win a just reward in profits for its shareholders. We have in Canada to-day thousands of public-spirited men controlling manufacturing establishments who are working long hours and risking large sums of capital to attain the same reward—a fair recognition for public service rendered for themselves and their shareholders. But they are regarded as greedy profiteers.

The Canadian Pacific has Mr. Beatty to tell of its endeavors and its aims and it is being understood. The manufacturers need a Beatty at the head of the Canadian Manufacturers' Association, in order that they may remove the cloud of suspicion in which all their activities are wrapped. That is what THE FINANCIAL POST meant and still means when it speaks of a $50,000-a-year general manager to head the organization.

CAPITAL AND INVESTORS' RIGHTS

IN his first public address as Minister of Mines in the Ontario Government, Hon. H. Mills made the following important statement:

> "All that I am interested in is the rapid and greater development of our mineral resources. We need more capital for this and I shall try to get it."

It is to be sincerely hoped that Hon. Mr. Mills fully appreciates that the treatment which capital has received in recent years by Ontario Governments has been such as to make his task one more difficult than it should be in proportion to the opportunities which the Province provides. If investors can feel confident that their interests will be safeguarded, the task which the minister has set for himself will be a comparatively simple one. If on the other hand, the new Government cannot give assurance of better treatment than accorded by its predecessors, capital cannot be expected to take the chances involved. Mineral developments are accompanied by enough risks without that of confiscation by the Government.

Such incidents as that of the Florence mine and the treatment of the pioneer investors in Niagara developments have had a far-reaching effect upon the attitude of capital, for capital is sensitive and the investor has a long memory. If the Ontario Government seeks new funds for development it should show good faith in its treatment of present investments. Legislation similar to that embraced in the American constitution, which makes confiscation of private property impossible without adequate compensation, would do much to establish that confidence which would insure the capital which Mr. Mills seeks.

PAPER MAKERS AND PUBLISHERS

THE recent settlement of the differences between the newsprint manufacturers and publishers was reached in a common-sense, business-like way. The manufacturers realized that to make the matter the subject of another public inquiry would mean delay and expense—long days of profitless examination with office forces disorganized in making up masses of statistics of only passing value. The publishers also realized that there was nothing to gain from such a course which could not be obtained by getting down to a round table conference. Both also, no doubt, appreciated that there was nothing to gain and much to lose by having their business ventilated by prying investigators for the benefit of a misunderstanding public.

When the matter of paper prices first arose THE FINANCIAL POST urged the manufacturers to take the very course which has now been followed—to get down to brass tacks with the publishers. The effort to exact the last cent that the market would bear was short-sighted from every standpoint and particularly in the interests of the stockholders of the companies concerned. The appointment of a controller by the Government and an extensive inquiry was the result. One such experience was evidently enough. But there was no need for that experience if the matter had been properly approached.

The fight between the bookpaper manufacturers and the publishers using their products has likewise been short-sighted in the interests of the shareholders of the companies. The bookpaper mills jumped their prices to excessive levels and in some cases charged Canadian buyers three times as much as American makers were paying for the paper which they used in publications competing in the Canadian field.

MR. PARSONS AGAIN PUTS HIS FOOT IN IT

ALTHOUGH only a past president of the Canadian Manufacturers' Association, S. R. Parsons has, by continually forcing himself into public print in controversies between the manufacturers and the public and the manufacturers and labor, contrived to continue in the role of mouth-piece of that body. When, therefore, he went to Washington to attend the International Labor Conference, he assumed the position in the public mind of representative of the Manufacturers' Association. His fight against the labor delegates on the eight-hour day and other issues had the effect of widening the breach between that organization and the labor element.

The attitude of THE FINANCIAL POST in favor of the old-fashioned trades unions and our confidence in the sanity of the great body of workers has frequently been expressed. At the same time we have been outspoken in our condemnation of the radical minority which is gaining such a large influence over the unions. We have time and again urged upon the Manufacturers' Association the necessity of letting labor disputes alone. To take up the gauntlet of the radical leaders is only to add fuel to the flames of Bolshevism and switch public support to their movement.

The labor issue cannot be met by the Manufacturers' Association. It cannot be dealt with on a national scale. Each manufacturer must work out his own problems. Hope for a successful solution lies through working in cooperation with the old-established unions or with representatives of the workers selected by an organization within the factory.

In brief, the manufacturers individually must get closer to their men and their interests. To lend their support to any national effort which opposes the policy of the extreme leaders merely plays into the hands of the latter. The performance of Mr. Parsons at Washington makes the Manufacturers' Association a target for the oratorical guns of the agitators.

EDITORIAL NOTES

THE Board of Railway Commissioners has decided that the Winnipeg strike was in effect a revolution. The public came to this conclusion long ago, but it is nice to have authoritative confirmation.

* * *

THE new Ontario Government is going to abolish patronage, according to Attorney-General Raney. This is a time-worn political slogan, but the public may find ground for hope in the fact that it is a post-election rather than a pre-election promise.

* * *

ACCORDING to the *Wall Street Journal* the cost of drilling for oil has increased 50 per cent. since the war, while prices for high-grade crude oils have not advanced in more than a year. This is a point which investors in oil prospecting stocks should not overlook.

* * *

LONDON citizens who have heard wonderful reports of the financial success of the London and Port Stanley Railway and attendant surpluses are being asked to vote an additional $218,000 for further improvements. This will be added to the heavy debt which the city is already bearing in relation to this project.

* * *

THE defence of the public from class domination by Judge Elbert Gary, "who worked himself up from the lowest ranks," is compared by *Commercial West* with the firm stand of Sir Eric Geddes, "who was a practical railroad man, having worked himself up from a pick and shovel job," in protecting the British people in the recent railroad strike.

* * *

THE increased absorption of jewellery by the so-called middle classes is an interesting feature of the present situation pointed out in the November letter of the National City Bank of Chicago. This is regarded as an indication that the average wage-earner is to-day enjoying a larger per cent. of comfort and luxury than every before despite the high living costs.

* * *

WHEN the *Grain Growers' Guide*, in supporting the cause of the farmers, talks of the "two grand old parties that have misruled Canada for the past 52 years," it only insults the intelligence of the Canadian people. And in so doing, we believe it misrepresents the views of the leaders of the Grain Growers' organizations, of which it is supposed to be the official organ.

* * *

BECAUSE Frank A. Vanderlip, speaking in Toronto, expressed a candid opinion regarding public ownership, based upon the experience of the United States, and that opinion happened to be unfavorable, the Toronto *World* delivers a lecture to the Canadian and Empire Clubs, and says that they "should really post their guests about their city and Province." In other words, men of world reputation coming to Toronto are to be told what they are to say. Better for the clubs to instal gramophones and let the records be censored by the editor of the *World*.

Judge Gary Explains Relations of Steel Workers and Employers

THE history of trades unionism has shown that progress has been marked by strikes and that such successes as have been won by labor have been because public opinion has been with the workers. THE FINANCIAL POST, on the basis of a third of a century of experience, has supported the old-fashioned, old-established unions and has urged that they be recognized and given generous treatment. When, therefore, all indications are that the big steel strike in the United States is failing, and failing primarily because the organizers of the strike have failed to secure the support of public opinion, it is important that underlying conditions should be revealed—little information as to such conditions having been given by the daily press, particularly in Canada.

The steel strike in the United States has not won the support of the public because it is not based upon the established premises of equitable and fair dealing that have marked the success of old-fashioned unions which have had the reasonable co-operation of broad-minded employers. There are no claims for shorter hours, higher wages or improved conditions which find any real justification in fact. The real purpose of the strike is indicated by a resolution introduced before the A. F. of L. at St. Paul, in June, 1918, by W. Z. Foster, and passed, referring to the "uniting of all these organizations into one mighty drive to organize the steel plants of America."

Judge Gary Presents Case

Clearly and candidly the present situation in the American steel industry was recently placed before the semi-annual meeting of the American Steel and Iron Institute by the president, Judge Elbert H. Gary. His statement does much to explain why the strike is failing and must fail if public interest is to dominate.

Judge Gary refers to the St. Paul resolution as indicating the real issue of the strike from the standpoint of the organizers and to a later resolution—also proposed by Foster—at the 1919 convention of the A. F. of L. at Atlantic City, asking the heads of all international unions affiliated with the A. F. of L. to make arrangements to lend assistance to the organization of the iron and steel industry. Referring then to the strike which was the outcome of these steps, Mr. Gary explains the methods adopted to force satisfied workers to join the movement:

> Immediately preceding the day fixed for ordering out the men, intimidating letters, large numbers of them being anonymous, were sent to the families of the workmen threatening physical injury to the father or husband, damage to or destruction of the home and kidnapping of the children unless the employee referred to should obey the order to strike. A number of the workmen, who had joined the unions voluntarily, accepted the order to strike, and others remained away from the factories through fear. In many, if not most of the mills, the larger number of employees continued to work without interruption. At the beginning many of the workmen who attempted to continue their work, and others who had remained at home through fear and attempted to return, were confronted in the public streets and elsewhere by strikers, or pickets, and importuned to participate in the strike; and many were assaulted and seriously injured. After protection was afforded by the police, sheriffs' deputies, state constabulary and, in some cases, state or national troops, the numbers resuming work increased appreciably from day to day until in many places operations are about normal. Taken as a whole, the situation at present is good and steadily improving.

The Right of "Open Shop"

Judge Gary makes it clear that the issue is not one of hours or wages, but of the "open" or "closed" shop in relation to the whole industry of the country. The attitude of the employers, "who do not contract or deal with unions although they do not combat them," is "absolute freedom to both employer and employee in regard to employment and the management of the shops." Further regarding this very vital issue, he says:

> Every proposition contended for by the labor union leaders at the National Industrial Conference at Washington would irresistibly lead to domination of the shops and of the men by the union labor leaders. Every position taken by the other side centered on the open shops. This is the great question confronting the American people and, in fact, the world public. From 80 per cent. to 90 per cent. or more of labor in this country is non-union. It is for them and the employers generally and the large class of men and women who are not, strictly speaking, employers or wage-earners, to determine whether or not it is best for the whole community to have industry totally organized. Judging by experience, we believe it is for the best interest of employer and employee and the general public to have a business conducted on the basis of what we term the "open shop," thus permitting any man to engage in any line of employment, or any employer to secure the services of any workman on terms agreed upon between the two, whether the workman is or is not connected with a labor union. The verdict of the people at large will finally decide this matter, and the decision will be right.

Collective Bargaining

The question of "the right of collective bargaining through labor union leaders," as the leaders now define the term "closed shop," is explained as a demand for "collective bargaining through the unions" as against "collective bargaining through representatives elected by the employees themselves from their own members." This was the question upon which the split occurred at the National Industrial Conference at Washington, when the union leaders made it very apparent that they would not support any resolution in favor of collective bargaining except on the basis that collective bargaining meant bargaining through labor unions.

Further, Judge Gary emphasized, the "abolition of company unions" was one of the twelve demands published by the leaders conducting the steel strike. The labor unions claimed that collective bargaining through different forms of shop organization made up of the employees tended to limit the extension of unions; while the non-union employees and their employers insisted that collective bargaining through labor unions means that employees were forced to join the unions, as otherwise they could not be represented.

Treatment of Bolshevism

Regarding the actual conditions prevailing in the steel industry, Judge Gary says that they were "upon a plane higher and better than ever occupied by this industry in this country," and that "we have sought the confidence of our employees, our customers, our competitors, our principals who own the properties we manage, and the general public."

At the same time, he said, it would be unfortunate if opportunities for further improvement could not be found; if criticisms were neglected, if suggestions from workmen were ignored, if the opportunity for workers and managers to get together were not provided, if in any way the well-recognized fact was minimized THAT THE PUBLIC GOOD IS OF PRIME IMPORTANCE AND THAT PRIVATE INTERESTS MUST BE SUBORDINATED.

Concluding, Judge Gary refers to the influence of Bolshevism in relation to industrial unrest. He speaks of the disease as persistent and having innoculated even the best of countries. As to its treatment, he said:

> There is only one way to treat this disease and that is to stamp it out, to meet it boldly wherever it can be found, to expose it and give it no chance for development. In this free country, with its reasonable laws wisely administered, its golden harvests, healthful climate, peace-loving inhabitants who are generous in contributions for relief and protection, schools, churches and hospitals, there is no room except in the prisons for the anarchist, the bolshevist or other individual who seeks to substitute the rule of force for the rule of law and reason. If there are slinking, desperate, murderous bolsheviki in this country, even in small numbers, I believe the Secret Service Department of the Government should detect and expose them and that the iron hand of justice should punish them as they deserve, and as I have faith in this country and in its institutions, I believe this will be done and done promptly. Any one who doubts the ability of the proper authorities to protect the persons and property of our people against bolshevism and other similar doctrines, fails to appreciate the courage of our citizens and the terrible force and strength of their subdued calmness when surrounded by threatened danger.

PERSONALS

CHARLES H. SABIN, president of the Guaranty Trust Company of New York, has been honored by King Albert of Belgium, who has bestowed upon him the Cross of Officer of the Order of Leopold II. Baron de Cartier, the Belgian Ambassador, made the presentation in person.

WILTON C. EDDIS, head of the firm of W. C. Eddis and Sons, chartered accountants in Toronto, is dead. The practice of the firm will be carried on by his two sons, J. Wyndham Eddis and Charles S. Eddis, and the two other partners in the firm, A. R. McMichael and W. G. Berner.

J. C. STREDDER, the Halifax canvasser for the Victory Loan, who conceived the brilliant idea of canvassing all the passengers on ocean steamers touching at Halifax during the progress of the campaign, is the local agent for the Great-West Life Assurance Company. He put his scheme into operation when the "Adriatic" called at the port. The first person he met on the steamer was a friend from his former home in Lancashire, England. He signed him up for a good-sized subscription. The wealthiest peer in England, the Duke of Sutherland, was on board, and he bought $50,000 worth of bonds. The rest was easy; passengers on the "Lapland," the "Mauretania" and other vessels were canvassed, and in three weeks Halifax added about $1,000,000 in this way.

T. ALFRED FLEMING, past president of the Fire Marshals of America, who acted as chairman of the annual convention in Toronto in August, has resigned from his post as Fire Marshal of Ohio, and has taken charge of the conservation work of the National Board of Underwriters of the United States. It is probable that scarcely half a dozen of those who attended the convention in Toronto this summer, and listened to Mr. Fleming's portrayal of the menace of Bolshevism in North America, knew that he was born in Toronto and was educated at Toronto University. In 1902 he left Toronto for Cleveland and for ten years was a minister in one of the churches of that city. He then became secretary of public welfare work in the city of Cleveland, and in 1917 was elected to the Ohio Legislature, being appointed state fire marshal only a few months before his election as president of the Fire Marshals of America in the fall of 1918.

ARTHUR T. LITTLE has been chosen as president of the London and Western Trusts, Ltd., in succession to the late George Gibbons, who, in turn, had succeeded his father, Sir George Gibbons, in that post. Mr. Little has been actively intersted in the dry goods firm of Robinson and Little for the past twenty-four years, and since the death of his father, Col. John W. Little, he has been head of that institution, as well as the Helena Costume Company, Ltd., and the Holeproof Hosiery Company, Ltd. Mr. Little has been one of the strongest supporters of the Western University of London and has contributed generously of both time and money to the development of that institution. His work for the university has been rewarded, for he has just been elected chairman of the board of governors. Mr. Little is an officer of the 7th Regiment of London, a Liberal in politics and a conscientious worker towards civic betterment.

BARON LEVERHULME, the great British industrial philanthropist, will visit the United States at the end of the month. Lord Leverhulme is head of Lever Brothers, Limited, the soap manufacturers, who control a number of Canadian soap manufacturing establishments, as well as owning immense cocoanut plantations in the South Seas, and soap factories in every large country in the world. Lord Leverhulme is widely known on account of his advanced views on the relationships of employer and worker; the six-hour day has been in operation at Port Sunlight, the company's industrial town near Liverpool, for some time. Last winter the baron bought the islands of Harris and Lewis, in the north of Scotland, and has undertaken extensive projects to improve the position of the people of the isles, which have, by the way, contributed many prominent men to Canada's public life. Lewis people are largely fisher-folk and to ensure them a steady market for their fish, Baron Leverhulme has purchased a chain of nearly one hundred fish shops in London, Edinburgh and provincial cities, which will handle the fish from Stornoway and other towns on the islands exclusively. This is only one of a dozen similar immense projects inaugurated by the man who controls ninety-three separate soap manufacturing industries.

HENRY LEE HIGGINSON

In the promotion of Major L. Higginson to a higher world of activities, Boston has lost its first citizen, Harvard has lost its first alumnus and America has lost its first patron in the highest field of music.

But the soul of Higginson was just as distinctly attuned to truth as to music. He hated all sham and pretense. He understood loyalty, work, service. Loyally he worked in service to his fellow man.

His faults were personal modesty and lack of patience with anything that did not ring true. If he wrote anything—and he wrote much—he feared lest it should see the light or hold less expression of truth than the occasion deserved. When he talked to his fellow citizens or the men of Harvard, he was surprised to find the word "eloquence" applied to his remarks—he had spoken only a few truths from his heart.

Financial and fiduciary obligations were to him sacred. Trusteeship or directorship meant the absolute subordination of all private considerations. In the councils of the American Telephone & Telegraph Co. and in those of the General Electric Co. in the early days of their struggles and trials he was a power because of the mighty force of the truth that was in him and because he would tolerate no suggestions or associations that did not mean the highest ideas of integrity.

The personal records of Henry L. Higginson may be lost in time, but the influence of his character, and the influences around him dominant from his youth have their reflex along the whole line of his activities from the financial upbuilding of the Burlington road to Harvard Union and Soldiers' Field at Cambridge, —a memorial to duty in human service.

DEPENDABLE INVESTMENTS

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SUGGESTIONS ON REQUEST

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

MONTREAL ABATTOIRS

A., Middleton, N.S.—Kindly advise re the following if in good standing or not: Montreal Abattoirs, Limited; Canada Iron Foundries, Limited. We had some stock in these, and they seem silent re any returns from preferred or common.

In regard to Montreal Abattoirs, a plan of reorganization is being put through, and the official statement of this is likely to reach you within ten days or so. This plan, as we understand, will mean the wiping out entirely of the common stock of $815,000, and the change of the 7 per cent. preferred stock to the basis of common stock, the amount being $415,000. Then the bond issue of $760,000 at 6 per cent. will be reduced to second mortgage standing to make way for a new first mortgage bond issue of $175,000. This latter, we understand, will be taken up by the Sun Life Insurance Company, and the proceeds will be used to complete a new plant for the company in this city. The company has succeeded in making a contract with the city, which covers the exclusive right to remove carcases of animals from the streets of the city and render them down. This is considered a valuable franchise, and with some disputes settled between the city and the company, prospects look brighter. The bond issue is about a year behind and the preferred stock some three years in dividends. This is not a very encouraging report for you, but those in charge of the reorganization consider that this drastic plan is necessary in order to realize something for the bond holders and preferred shareholders.

WESTERN LIFE

Enquirer, Tillsonburg.—Would be glad to have your opinion on the Western Life Assurance Company.

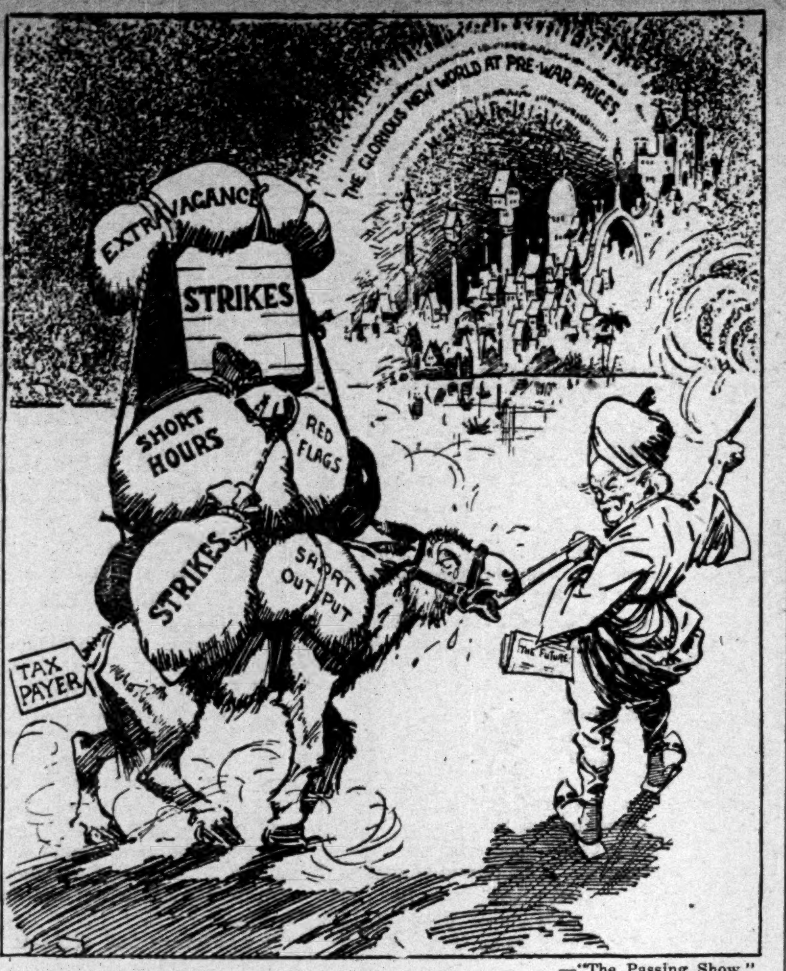
We understand that the Western Life is making progress. It has already this year issued over $1,000,000 of new business, and the interest and premium income has exceeded $100,000, so that the income of November and December will be clear increase over last year. The business in force has increased about $750,000. Death claims so far this year only amount to $13,000.

The last board meeting for the year was held about two weeks ago, and all directors expressed themselves as entirely satisfied with the progress made. They feel confident that the income this year will pay all outgo and provide the increase in the legal reserve. This position once attained means that from that time forward they will be making money for their stockholders, consequently stock in a company with almost $4,000,000 of paid for business in force should be a valuable asset.

WHALEN PULP AND PAPER

D. M., Chute "A," Blondeau, Ont.—Kindly state your opinion on the Whalen Pulp and Paper common stock for a speculation.

The common stock of the Whalen Pulp & Paper Mills, Limited, must be regarded at present as purely speculative investment. The first mortgage issue is of six per cent. bonds, amounting to $3,500,000. Following this there is 7 per cent. mortgage debenture stock which is second mortgage. Then there are 7 per cent. notes for $500,000; 7 per cent. preferred stock of a little over $2,000,000, and last of all comes the common stock, amounting to $8,000,000. The total of the capital issues, therefore, is $17,102,500. When you turn down to the assets of the company you will find that they are set forth as $16,655,074, so that a good portion of the common stock at the present time has no security against it in the form of the company's assets. This is only natural in the early development stages of such a concern, and it has been duplicated in the case of the majority of the large pulp and paper companies of Canada. Most of these have made good on their common stock and the price of this has run up quite high in a number of cases. We understand that the company is now in a better position since the recent re-organization, when Sir George Bury took charge. The company ships nearly all its output of pulp to Japan, and most of it now is bleached, which gives a larger margin of profit. It is the intention shortly to increase this output from 54,000 to 70,000 tons a year.



—"The Passing Show."

LLOYD GEORGE: "Come along, old bean! You'll get there—in the future!"

BRAZILIAN TRACTION

J. L. C., Halifax—In 1916 I bought on margin and subsequently outright 50 shares of Brazilian Traction common at $54 per share. A short time ago I took up 20 shares at 57 and have $450 in the brokers' hands as margin. I believe that as the company, in spite of war conditions, was making such an excellent monthly showing as to net earnings that there could be little doubt as to the stock quotation reaching 70 or more per share in the not distant future. It has been my intention to take up by outright purchase the 20 shares on margin. Would you consider this as prudent or would you suggest that I hang on until, say, 58 or 59 is reached and get out from under in respect to my last purchase, or, in fact, the other 50 shares originally purchased and pick up a more likely proposition with a more certain basis for future appreciation?

We regard Brazilian Traction as having very fair possibilities from the speculative standpoint as a whole. It must be remembered, however, that there are a number of factors which must be taken into consideration as regards future appreciation in value, and in the meantime, a stock which is paying no dividend can hardly be regarded as a great bargain when it passes 50. You appear to have considerable holdings of this stock, and your attitude towards it, we think, should be largely based on the proportion of your investment here in relation to your total resources. You should have considerable holdings in more stable securities to counterbalance your Brazilian. We rather infer from your letter that you have been following the evening-up process. This we would discourage. We do not think that the fact that an investor may hold stock in a certain security should necessarily be a factor as to why he should buy more of that particular security. This often results in an investor taking on more of a speculative stock than he should conservatively carry.

You have no doubt been following Brazilian's career and understand the effects that war conditions have had upon the company. The property is in good condition and has been making a very good showing in the way of earnings. That the shareholder has not benefited to a greater extent has been due to the adverse rate of exchange. The factors now to consider are shipping facilities, export trade, and internal conditions. On all three we consider the outlook as reasonably favorable, although in this period of unsettled conditions the man who would definitely forecast the future would have more courage than judgment.

If your holdings of this stock represent any considerable proportion of your assets we would think that you would be well advised to let go of a portion on one of the periodical bulges which the market experiences from time to time. You would then be in a position to put the balance away and forget about it for a time.

C.N.R. DEBENTURE STOCK

Baron I., France—What do you think of the C. N. R. 5 per cent. redeemable debenture convertible stock and has this value some chances of success in the future?

No interest has been paid on C.N.R. 5 per cent. income charge, convertible, debenture stock since 1913-1914 as there are several lines of securities ranking ahead of it. As a result the stock has fallen from about 80 on the London stock market, where it is listed, to 38½, at which figure sales have been reported recently. As the stock is redeemable at par in 1930, principal is secure, but interest payments, which are not cumulative, depend entirely upon the earnings of the company. Interest is only paid when there is surplus after the payment of all fixed charges, and this has not been the case during the past few years. The outlook is not bright for any material improvement in the near future as operating costs are at a very high level, and likely to continue so.

MEXICAN NORTHERN

Bondholder, Sault Ste. Marie—I hold a $1,000 5 per cent. first mortgage bond of the Mexican Northern Power Company and would like to know the present value of this and also the future prospects of the company.

Reorganization of Mexican Northern Power Co. was effected some time ago. On the basis of this reorganization holders of prior lien stock in the old company got preferred stock in the new company, and holders of the first mortgage bonds got common stock in the new company. Everything is now ready for the incorporation of the new company. So far as the present situation is concerned we understand that the prospects are somewhat brighter for improved conditions in Mexico, although we understand that the outlook is somewhat improved. It would be very difficult at the present time to give you an idea of the value of your bonds.

TORONTO RAILWAY

Baron I., France—What do you think of the Toronto Railway stock now and what will this share become after the expiration of the franchise in 1921? Do you think this company will be able to go ahead strong again and shareholders have dividends?

The question as to what the future holds for the shareholders of the Toronto Railway stock is a highly complex one. The relations between the company and the city are very strained both as regards the Street Railway Co. and the light and power subsidiaries. The ratepayers are evidently determined that the city should take over the franchise on its expiration. The value to be paid is on the basis of real assets, but the agreement is sufficiently broad to allow plenty of opportunities for litigation, and we have been informed by those closely in touch with the situation that it will probably be one of the most interesting and complicated cases ever decided by Canadian courts—if, in fact, it does not go to the Privy Council. The Street Railway, however, is only a portion of the assets of the shareholders as there are a number of subsidiaries, including the Toronto Power Co., the Electrical Development Co., Toronto and Niagara Power Co., etc., the value of which is not sufficiently revealed in the company's statement to permit of an estimate of a definite character being made. A factor in relation to the value of these subsidiaries, too, is the situation in competition with the Ontario Provincial Hydro, which is a public ownership enterprise, and has thus far had strong influence in the Legislature in securing the passing of various acts which have worked to the detriment of the private power interests at Niagara Falls. It would be indeed, difficult to forecast what may be the outcome of these various negotiations, but there has been some inclination recently of a more favorable public inclination towards investors' interests, and we are inclined to think that perhaps the worst has been discounted so far as Toronto Railway is concerned. Real assets, we believe, would warrant a higher price for the stock than prevails to-day if the shareholders' interests are given anything like fair consideration in future negotiations with public bodies.

Despite the fact that Toronto Railway is not paying a dividend and it not likely to because of the high cost of operation at fixed fares, we think you would be well advised to hold on and await developments regarding your chances of a higher price, of course, as a speculation.

CAN'T EXPECT ANYTHING ELSE

Port Arthur "News-Chronicle."

The management of the Canadian National telegraphs reports the estimated losses on operation for year ending June next will approximate $400,000. This deficit is made up partly of increased wages to the tune of about $100,000 and the balance just to not enough business to meet expenses.

And really it is no wonder, for the system is about as inadequate to the getting and carrying of business as it well can be. Experience with the concern is most discouraging, simply because of want of equipment. Where the rival system has some twelve wires working from Toronto westward the National has perhaps three. Under such conditons how can it be expected to compete successfully with the Canadian Pacific.

The only hope for the success of the system is to increase its ability to handle business and then to go after business in a busines-like way.

There is no reason why the National line should not be made the equal of its rival. The Government can with profit devote a part of the money raised in the latest sale of bonds to the improvement of the telegraph service.

J. Gordon Greenshields
Richard O. Johnson
Russell D. Bell
Charles M. Black

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POST OFFICE FAILED IN BRITISH STRIKE

Weakness of Government Management of Big Business Emphatically Shown

LONDON—During the recent strike crisis in England the lamentable lack of efficiency and initiative in the post office service was emphatically shown. According to Richard George, writing in the "Daily Mail," the post office people failed to rise to the occasion as most of the public services did. The emergency found the post office lacking and continuing he points out in detail how this important national service reflects the weakness of Government administration in big business enterprises:

The newspapers were delivered regularly and punctually by road and by air; an enterprising firm of motor-char-a-bancs proprietors at once instituted a passenger service to and from London and other big towns; the milkman, the baker, the places of entertainment (with fresh performances this week) are all carrying on normally.

One does not expect impossibilities or unreasonable things, but it does seem that such a vast and important undertaking as the Post Office should be able to do at least as well as private concerns. Apparently, however, it has been badly caught napping and unprepared.

. . . . .

A business man, disgusted at the shortcomings of the postal service, suggests to me that every town of any size should in future be equipped with a wireless telegraphy station. I am not enough of a scientist to say whether this is possible, but if it is it should be done.

It is a serious matter to be isolated for days because the Post Office ceases to function properly. Meanwhile not one-twentieth of the full use of aircraft is being made. There must still be hundreds, if not thousands, of serviceable machines available, and at least two capable pilots at command for every machine.

To mobilize the flying men would be the simplest thing in the world. Nine-tenths of R.A.F. officers are still in the service, having been put on the "unemployed" list, and the Air Ministry could call them up at once. To do so by the lengthy process of sending telegrams would not be at all necessary; notices in the newspapers directing them to report forthwith to any one of the various centres would be quite sufficient.

Before this week is out the land transport could thus be most valuably augmented by a great fleet of air carriers. Primarily aircraft should be used for the transport of newspapers, which are a necessity to the community, and mails, and landing grounds should be arranged as near towns as possible. Regent's Park, for example, would make an excellent emergency aerodrome for London.

The use of aircraft on a big scale would relieve motor transport of considerable work, and, apart from petrol, would cost but little. The machines exist, and probably many of the pilots would give their services for the sheer joy of flying once again.

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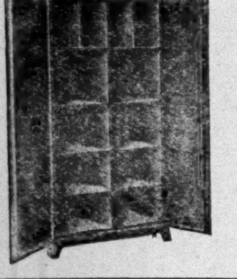

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NEWS OF THE BOND MARKET

FURTHER ISSUES MAKE APPEARANCE ON BOND MARKET

Edmonton, Verdun and Some Industrial Concerns Are Selling Bonds

PRESENT OUTLOOK

Rising Market Looked for by Some, While Others Think Preponderance New Issues Will Have Its Effect

The immediate future of the bond market seems to depend largely on the power of the big investors to absorb the issues of bonds and debentures, governmental or industrial, that are being arranged for the near future. There is no question of the bond houses being able to handle all the issues that are coming out soon; very few of them have anything held over from before the Victory Loan campaign, and there is certain to be some close bidding on the better class of bonds by those who deal in this class of security. This would indicate a market that will gradually strengthen from the weak position it held before the Victory loan campaign.

Other observers take the view that if the municipalities start out to make a clean up of the $60,000,000 they owe to the banks, the market will be flooded with new issues. The natural result of such a tendency would be the shading of prices and it would mean some very good opportunities for investors.

New Issues Announced

Bond houses at present are in a disorganized state, and it will take more than a week to clean up the business that was held up by the Dominion campaign. In addition to the city of Toronto issue of $2,633,000, and the New Brunswick issue of $2,282,000 announced last week, details of several others are available. Edmonton is asking for $3,500,000 in ten-year 5½ per cent. debentures. An announcement appears elsewhere.

The city of Verdun, Que., is calling for tenders for an offering of $225,000 5½ per cent. bonds, dated May 1, 1919, and maturing May 1, 1939. These bonds are in coupon form, payable semi-annually on May 1 and November 1, at the office of the Home Bank, Montreal, or the National Park Bank, New York. Tenders will be received up to December 1 next, at 5 p.m.

Other Issues Coming

Other issues are planned by the Province of Alberta and the Province of Ontario. There is sure to be a flood of municipals after the first of the year, as a glance at the column on page 13, giving details of money by-laws to be voted on, would indicate. Windsor is asking for authority from its ratepayers to buy out the local street railway at a cost of $2,100,000. London is planning expenditures that will total about $1,200,000. Winnipeg is thinking about establishing a municipal milk plant at a cost of $600,000, and will build a bridge to cost $350,000. Toronto will guarantee Hydro-radial bonds totalling over $4,500,000 if the citizens approve, and there is also a Toronto Harbor Commissioners' issue to be guaranteed by the city. All these improvements require financing, and will bring forth a crop of new debenture issues.

Industrial Issues

There are also a number of industrial issues, and the chief of these, an issue of $2,550,000 6½ per cent., five year collateral trust bonds of the Montreal Public Service Corporation is also told about in another column.

The Saguenay Pulp & Power issue, the sale of which was interrupted by the Victory loan campaign, is being again offered on the market. This time only $1,500,000 of the original issue of $5,500,000 is advertised. These bonds bear 6½ per cent. interest. In reference to recent operations of the company, the president, Hon. Senator Beique, states that the price the company is receiving for mechanical pulp has been increased to $40 a ton, and as high as $42.50 is being secured, as compared with average prices running between $26 and $29 last year. The output of the mechanical pulp mill at Chandler has been increased by more than 40 tons a day, and now amounts to 112 tons daily. It is stated further that the operating costs have been reduced by over $10 a ton.

TORONTO'S BIG GUARANTEE

Backs Up Over Four Million Dollars of Hydro Bonds

If the electors approve, Toronto will guarantee $4,328,665 of the bonds of the Hydro-Electric Commission, which will be issued for the construction of the Hydro-Radial between Toronto and Bowmanville. The city council approved the guarantee subject to the ratepayers' assent, this week.

One clause of the agreement between the commission and the city provides that if there should be a deficit on the operation of the railway it will be apportioned among the municipalities involved, or their bonds will be sold in default of payment.

The amount involved represents Toronto's share of the $8,360,794, which the radial is expected to cost.

HOLDERS DEFAULTED BONDS HOLD MEETING

Battleford Holders Think They Have Good Case for Support

Little progress is being made towards a settlement of the affairs of the Alberta municipalities whose bonds are in default, although meetings of the bond holders of Battleford and Wetaskiwin have been held recently. Wetaskiwin bond holders met in Toronto this week, but adjourned until next week to meet the secretary of the commission appointed by the Provincial Government to investigate the affairs of the defaulting towns.

Both Battleford and Wetaskiwin, it is understood, have offered settlements similar to that arranged between the town of Prince Albert and its bond holders, but strong opposition has developed against such a scheme; the bond holders want their money and think the province should back up the towns. This, of course, is impossible as the Alberta Government is very unlikely to recede from the firm stand it has taken against recuperating any person for losses incurred through investments in Saskatchewan municipalities.

In the case of Battleford, debenture holders think they have a particularly good case for Government aid, in view of the fact that the Provincial Government guaranteed the bonds of the railroad that diverted its main line from Battleford to North Battleford, making a prosperous centre of the latter at the expense of the original town.

The default of these municipalities is having its effect not only on the investment markets in London and the United States, but also in Canada. Already one of the largest Canadian insurance companies, which has suffered to a certain extent from the Saskatchewan defaults, has made up its mind to invest only in the debentures of towns with an unblemished record behind. No longer will it invest on potentialities alone.

SEEK THE ABOLITION OF CHARTER SYSTEM

Alberta Municipalities Want More "Home Rule" For Themselves

By Special Representative.

EDMONTON.—"Home Rule" for cities was the plea of Mayor W. D. L. Hardie, of Lethbridge, in an address before the convention of the Union of Alberta Municipalities. Mayor Hardie protested against the province collecting taxes from theatres, poolrooms, automobiles, etc., and claimed that revenue from such sources should be given to the cities.

A resolution was passed by the convention embodying Mayor Hardie's views and asking the wiping out of city charters and the passing of a City Act, such as Saskatchewan and other provinces have. One of the clauses of the resolution protesting against the Soldiers' Home Exemption Act should be of interest to those municipalities in Ontario which are planning to exempt the homes of former soldiers from taxation. It is pointed out that this arrangement resulted in a considerable loss of revenue to the municipalities, and that the loss was larger where the greater number of soldiers had enlisted for service, thus penalizing those communities which had done the most for their King and country.

Another resolution was proposed asking for a Hydro-Electric system for the province similar to that in Ontario, but the convention turned it down, though supporting a resolution calling on the Provincial Government to make a survey of the water power resources of Alberta.

Officers were elected for the ensuing year as follows:

Hon. President—Dr. R. J. Chrystal, Carstairs.
President—Mayor Thomas Marshall, Calgary.
First Vice-President — Commissioner Freeman, Lethbridge.
Second Vice-President—V. E. Forster, Camrose.
Secretary-Treasurer—J. D. Saunders, Camrose.

The offices of W. A. MacKenzie & Co. have been moved from the 1st floor of the Canada Life Building to 42 King Street West.

CANADA'S RECORD WAS BETTER THAN COMMONWEALTH'S

Australian Loan Failed—Canada's Exceeded All Expectations

NO FINAL RETURNS

May be Another Two Weeks Before Country Knows How Much it Subscribed—Total Now Nearly $700,000,000

The extraordinary success of Canada's sixth great domestic loan, whereby the sum asked for, three hundred million dollars, was a good deal more than doubly subscribed, is looked upon as an extraordinary example of faith and patriotism, as well as a striking commentary of the general prosperity of the Dominion. The fact that the Commonwealth of Australia, where there was no such interruption of trade during the war as we had in Canada, has fallen short by one-fifth of the twenty-five million pounds objective aimed at in its recent "Repatriation Loan," and that they may have to resort to compulsory subscription — "Conscriptive Subscription" some one has alliteratively called it—to raise the required total, is a comparison which naturally presents itself.

With the loan just concluded, Canada has performed a feat which is considered a remarkable one. In the space of less than five years she has raised a total sum of nearly two billion dollars from domestic loans; something, which, if it had been suggested five years ago, would have been laughed at as absurd and impossible. The fact that the successive loans have been growing in popular favor, and that this latest loan does not carry the attractive feature of being free from taxation, proves two things. The first is that it is not war-time fervor which dictates the desire of the people of Canada to advance money to their Government; and the second is that the exemption of the earlier loans from taxation was unnecessary.

Total Nearly $100,000,000

It will be two weeks before the country knows the exact amount it has subscribed to the present loan, and in the meantime the figures announced on Monday by Sir Henry Drayton are the latest available. They show that over $673,000,000 was subscribed, against a total last year of $695,000,000. It must be remembered though, that on the final day of the campaign last year subscriptions were announced as $676,000,000. Reports of the remaining $19,000,000 trickled in for several days afterward. This year's total is sure to be increased somewhat when the final figures are announced.

The figures announced by Sir Henry Drayton were as follows:

British Columbia, $35,000,000.
Alberta, $16,000,000.
Saskatchewan, $20,000,000.
Manitoba, $40,000,000.
Ontario, $354,000,000.
Quebec, $161,000,000.
New Brunswick, $14,000,000.
Nova Scotia, $28,000,000.
Prince Edward Island, $3,000,000.

Some interesting figures have been made public in connection with the loan by the executive of the Island of Montreal. The various teams secured a total of 25,246 applications out of a total of 160,000 on the lists as made out first. A number of the latter, however, were later transferred to the employees' lists. The team workers secured an average of $1,148 for each application, and the average number of applications for each worker was 63. This required hundreds of calls each in many cases. The average for each team was $1,208,333.

Paying the Canvassers

The system of paying the canvassers was changed this year to a straight salary basis, and it was found at the end that this meant a smaller outlay than the commission basis of last year. This latter was considered unfair, inasmuch as some of the members of teams had a few large subscribers each, which gave a much larger total often, than ten times the number of subscribers for smaller sums, whose canvass meant far more work than many of the larger subscribers.

Just as "peace hath her victories as well as war," so workers in this campaign have found their reward in being "mentioned in despatches." J. H. Gundy, chairman of the Dominion Special Subscriptions committee, which secured a very large percentage of the total subscriptions to the loan, has "mentioned" R. A. Daly, secretary of the committee; William E. Wilder, Toronto organizer, and C. H. Burgess, Ontario organizer, for good work. The group of bond men who were responsible for collecting over $50,000,000 in subscriptions from the United States, included the following: A. W. Scripture, T. H. Roadhouse, J. F. McDonagh, W. A. Woodcock, E. G. Spalding, A. F. White, Robert Cassels, Harold Marriott, H. W. Lofft, F. D. Chapman, Temple Blackwood, Col. J. A. Stimson, Major H. W. Murray, C. R. Clapp, Chas. Turner, R. C. Matthews, A. W. McLennan, H. G. Cooper, C. H. Rankin.

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PERHAPS a rearrangement of your holdings would secure for you a larger income.
We shall be glad to talk the matter over with you.
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Maturing 1920 to 1934
Secured by assets 4½ times the total bond indebtedness. Net earnings for 1918 equal to nine times the bond interest.
TO YIELD 7%
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Funds Secured for Sound Businesses
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Offer Preferred Shares 7% Cumulative of Holland Creameries Ltd., and Magnet Metal and Foundry Co., Ltd.,—both Winnipeg Industrials.

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Investment Bankers
Private wire service to principal cities in Canada and United States.
We specialize in Western Bond Issues.
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Special attention given to interests of out-of-town clients. Real Estate, Mortgage and Financial Agents. Rental and Property Management a Specialty.

New Issue

Montreal Public Service Corporation

6½%

Collateral Trust Gold Bonds

Dated July, 1919—Due July, 1924
Denomination: $1000, $500 and $100

This company is one of four Public Utility companies headed by the Montreal Tramways & Power Co., Ltd., and comprising the Montreal Tramways Co., the Canadian Light & Power Co. and the Montreal Public Service Corporation,—which are doing business under the same executive.

PRICE: par (100) and interest

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160 St. James Street, Montreal
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It is generally admitted that the shares of the individual Allen Theatres in Canada, represent one of the strongest investments on the market.

We own and offer the 7% preferred shares, carrying a bonus of common stock, in a well located Toronto theatre now in the course of construction.

Full particulars upon request.

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Do not buy or sell unlisted securities before obtaining a reliable quotation. We believe we can secure for you the best bids and offerings available and will be pleased to furnish same free on request.

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TELEPHONE MAIN 5173

TOWN OF BRIDGEBURG

Debentures for Sale

SEALED Tenders addressed to the undersigned will be received up to 6 p.m., Dec. 1st, 1919, for the purchase of $50,000 Debentures bearing interest at 6%, to pay for additions and improvements to the Bridgeburg Public School.

The lowest or any tender not necessarily accepted.

R. A. LAND,
Town Clerk,
Bridgeburg.

Oct. 15, 1919.

FIELD OF MUNICIPAL FINANCE

GOOD GOVERNMENT IMPLIES GOOD MANAGEMENT

Comptroller Mitchell of Edmonton Speaks to Alberta Municipal Men

STUDY IS NEEDED

Criticism of Port Arthur's Finances Quoted as Object Lesson to Municipal Men and Citizens in General

By Special Representative.

EDMONTON.—The ideal city, operated on as sound a financial basis as a commercial corporation, with the same working capital and the same number of shareholders—for every tax-payer is in a sense a shareholder in his city incorporate—was described by Comptroler D. Mitchell, of Edmonton, at the meeting of the Union of Alberta Municipalities here last week.

In fact, most of the evils of municipal government as it is to-day, were traced by Mr. Mitchell to the failure of the average citizen to familiarize himself with his city's affairs to the extent that he would make himself acquainted with the affairs of a company in which he had invested his money, and to the failure of municipal boards of directors—the councils—to study civic affairs as much as they should.

The Comptroller referred to The FINANCIAL POST'S recent critical review of the finances of Port Arthur and used it as an object lesson to show the need for more serious study of municipal and financial problems by those who undertake to be leaders in local affairs.

Judged By Results

Mr. Mitchell emphasized the difference between public-owned utilities which are operated on the basis of sound business principles—the Winnipeg Hydro-Electric plant was mentioned as typical of this class—and the utilities which have failed, such for instance as the Toronto Municipal Abattoir. All such utilities must be judged entirely on the basis of results achieved, he said. Mr. Mitchell continued:

"Civic administration comprehends, as we have already said, many different forms of activity. There is perhaps a tendency in some quarters to extend the operations or enterprises of a city unduly. We have in addition to the general government, in many cases, the public services or utilities, such as electric light and power, water supply, street railway transportation, telephone, while others include such undertakings as municipal farms, public abattoirs, milk supply. We notice that the city of Winnipeg is apparently taking steps in the last named direction. Unfortunately the experience of some cities has not been particularly happy as to the success of their municipal ventures, while others seem to have achieved a very creditable record. The Toronto abattoir is a recent example of failure, evidently, on the one hand, while as a practical illustration of successful management we may refer to the case of the Winnipeg Hydro-Electric plant, which has had a phenomenal career. Similarly satisfactory results in municipal ownership have been experienced in some of our own cities in Alberta, as you may know, but the public verdict on the merits of municipal ownership and municipal management generally is naturally contingent on their experience of the concrete results produced, and whether the service rendered to the community is up to the requisite standard of efficiency. No arguments, however plausible, in favor of municipal management of utility or other trading enterprise can possibly countervail against the evidence of poor service or an accumulation of deficits on the operations of civic undertakings where these occur; and it necessarily follows that civic authorities must accept the citizens' usually candid but well informed estimate of these results. The remedy, if these are unsatisfactory, is obviously more skilled treatment and better methods of administration.

Sound Financial Policy

Tested by the average private corporation's procedure in transacting their affairs, the city's routine leaves much to be desired as to its management of public business, and where official lethargy is present it should be exorcised unrelentingly.

Good management on the part of either a private corporation or of a city demands a sound financial policy in the first place. We are gradually emerging from the embarrassments of the past few years of war and financial stringency which have taught us many salutary lessons, and which should serve to remind us in the future that a policy of "pay-as-you-go" can never become out of date, but is of permanent value in the economy of public administration. In the past, long term borrowings had become an obsession. When we are told the net debt of Canada, which before the war was $336,000,000, is now about $1,800,000,000, there is certainly good reason to exercise caution even if necessity is the only alternative in assuming new financial responsibilities. It is more than probable that the temptation of most Western towns and cities is to travel too fast.

"This naturally invites attention to the importance of the budget or estimate system. A definite policy of ways and means is imperative and by the use of council appropriations only is it possible to control municipal expenditures; otherwise over-expenditures and unauthorized expenditures are bound to occur inevitably with resulting confusion. The budget system properly administered is the best guarantee for regulating civic undertakings whether of a capital or current nature. As you know, these appropriations are one of the distinguishing characteristics of civic accounting.

Other Prime Factors

"Amongst other prime factors which enter into capable civic management, may be mentioned centralized purchasing of supplies; an effective appropriation and requisition system for all such; accurate accounting records and the principle of pre-audit as applied to the various stages both in incurring as well as discharging the city's liabilities. It implies the elimination of friction and wasteful methods. The numerous agencies of a city should be synchronized so that all parts of the civic machinery will operate towards producing a high degree of efficiency of service to the public. Indeed, it may be postulated that because an enterprise is conducted under municipal auspices is all the greater reason why a first-class type of service should be available. The co-operation of citizens (who are the shareholders in the concern) and of employees, however, is required to render obsolete the too frequent objection to municipal management, namely, that of incompetence."

Money By-laws

TENDERS WANTED

Nov. 24, Renfrew.—$17,500, 6 per cent., 30-year waterworks debentures.

Dec. 1, Bridgeburg.—$50,000, 6 per cent., for additions and improvements to public school.—R. A. Land, Town Clerk, Bridgeburg. (See announcement on page 13.)

Nov. 25, New Brunswick.—$2,282,000 10-year 5½ per cent. gold bonds.—Comptroller-General, Fredericton, N.B. (See announcement on page 13.)

Nov. 25, Peterborough County, Ont.—$14,000, 20-year 5½ per cent. debentures.—B. W. Squire, care County Clerk, Court House, Peterborough.

Nov. 27, Toronto.—$2,632,000, bonds issued for various purposes, due 1920—1949.—T. Bradshaw, Commissioner of Finance. (See announcement on page 8.)

Nov. 28, Edmonton.—$3,500,000, 10-year 5½ per cent. debentures.—F. Bainhouse, City Treasurer, Edmonton. (See announcement on page 16.)

BY-LAWS TO BE VOTED ON

Nov. 28, Winnipeg.—$600,000, for municipal milk depot bonds; $350,000 for a new bridge.

Dec. 11, St. Boniface.—$225,000 for additions to schools.

January, Galt. — $30,000, for central heating plant at the hospital grounds.

December, Calgary.—$220,000, for construction of bridge; $350,000 for sewage disposal site; $272,316 for extension system; $1,704 for sewers.

January, Point Grey.—$90,000 for purpose of purchasing property for a park and bathing beach.

Dec. 1, St. Thomas.—$25,000, for the proposed purchase of the defunct London and Lake Erie Traction Company's barns, sub-station and other property in the city.

Dec. 1, Woodstock.—$50,000, for a loan to the Brunswick Canadian Products Co. for the establishment of a plant at that point; $20,000 for a loan to the Warren Pipe Organ Co. for enlarging and improving their plant.

Jan. 1, London, Ont.—$300,000, for extensions to Fair grounds; $200,000 for the London and Port Stanley Railway; $250,000 for Board of Education for new schools, etc.; $200,000 for commencement of new city hall; $100,000 for new reservoir; $100,000 for new bridges; $85,000 for new stable and shelter; $20,000 for playgrounds.

Dec. 6, Windsor.—$2,100,000 for the purchase of the street railway.

Nov. 28, West Kildonan R.M., Man.—$50,000, 6 per cent., 30-year debentures.

Jan. 1, Hamilton.—$607,000, for Hydro-radial purposes; $150,000 for development of Scott Park, etc.; $50,000 for Mountain face highways.

Dec. 8, Saskatoon.—$5,000 for grading road; $7,000 for additional pumping equipment; $60,000 for a turbo-generator; $270,000 for erection and equipment of an extension to city hospital; $350,000 for additional school accommodation; $35,000 for completing the plumbing, etc., of Mayfair School.

January, Waterdown, Ont.—$20,000, for the erection of a memorial hall.

Dec. 16, Portage la Prairie, Man.—$100,000 for city hall and community building; $12,000, waterworks; $16,000, electric light.

January, Brantford.—$50,000, for the erection of a new grand stand.

Dec. 16, R.M. of St. Andrews.—$187,642 for construction of roads and improvements.

Nov. 28, Brandon, Man.—$150,000, 30-year 5½ per cent. debentures for building and furnishing school, etc.

January, Penticton, B.C.—$35,000 for new reservoir and extension of waterworks system.

BY-LAW PASSED OR DEFEATED

Whitby.—$60,000, for a new school. Carried by the ratepayers on Nov. 17 by a vote of 201 to 151. The Hydro-Electric Railway by-law was also carried by a vote of 347 to 43.

Cayuga.—$10,000, for good roads. Carried by the ratepayers by a majority of 91, on Nov. 17.

DEBENTURE NOTES

Stratford, Ont.—At a recent meeting of the Finance Committee of the City Council it was decided to recommend that the Council submit by-laws to the ratepayers for a sum of $50,000 for park purposes.

Toronto, Ont.—The City Council has decided to submit to the ratepayers the by-law to raise $4,328,665, this being Toronto's share of the cost of constructing the Hydro-Electric railway from Bowmanville to Toronto, the total cost of which will be $8,360,794.

The City Council has granted the application of the Toronto Board of Harbor Commissioners asking that the city guarantee a new issue of debentures amounting to $4,000,000 to carry on the waterfront improvements.

The Hotel Woodward, Detroit, was awarded $600,000 verdict in breach of contract suit against the Ford Motor Co for $1,000,000. The Ford company was said to have failed to erect annex of 300 rooms to hotel with salesroom on ground floor.

CITY MANAGER BEST SYSTEM FOR A MUNICIPALITY

Address by Clinton Rogers Woodruff, of Philadelphia Municipal League

IN 125 CENTRES

Not One Has Gone Back to Old System — Democratic Municipal Government to Remove Social Unrest

While the members of the Canadian Club of Montreal were applauding an address in favor of a Commission form of Government and a civic manager the City Council was overthrowing a motion for the temporary suspension of the functions of the council, while the Civic Administration still remained in office. Meanwhile the Civic Commission will continue in office for two years more, sharing to some extent the powers of civic government with the City Council.

The address in support of the City Manager plan was delivered by Clinton Rogers Woodruff, secretary of the National Municipal League of Philadelphia, who declared that this form of municipal government was in force in 125 cities in the United States, and not one of those who had adopted it had given it up. He believed it was certain to spread to a large number of others. In association with the city manager would be an elective commission of five or seven men as legislators whose will would be carried out by an efficient manager. Germany had secured a certain efficiency in municipal government, but not democratic government of the municipality. The work of the city manager in association with an elective administration was a very remarkable contribution towards the development of municipal democracy. The managers were chosen because they had demonstrated their efficiency and ability to carry on municipal affairs. There had always been a recognition of specialization in the professions, why not in the highly important matter of governing the lives and welfare of the citizens? Now men were being developed who were as secure in their tenure of this municipal profession as a doctor or a lawyer in his profession. Such a system ensured permanency, and gave the manager a chance to work out the important social and other problems of the city's life.

"Municipal efficiency is not new, but municipal efficiency under a democracy is new. There is no reason why these should not be synonymous. There is a difference between the city running the citizens and the citizens the city. This latter is the very essence of democracy. There is no doubt that the German results in municipal administration exceeded those in America. But who wants a good government imposed from above or from without? In that book of his on "What Happened in Europe," Frank Vanderlip, in dealing with America's opportunity—and he meant Canada's as well—declared that never before was there such a necessity for sound citizenship. If war demands self-sacrificing co-operation, peace demands it equally. It is not, What can the Government do for me, but what can I do for the Government?"

Thanks to the prompt action of the United States Government, Mr. Woodruff declared, in the recent Federal coal strike, the danger had been averted. But the feeling that gave rise to the strike still existed and unless the situations were met in a very different way the condition would be very serious. There must be a recognition of community life. There must be new standards created of comfort and general living. There must be a working co-operation of all parties; the people must be worked into the warp and woof of citizenship. There would be no satisfactory solution unless men, women and children were inspired with the feeling that they were all a part of the Government. "Speak not of your rights; think of your duties."

BOND SALES

$4,000 Asbestos at 78; $20,000 Abitibi, debs., at 106½; $500 Bell Telephone at 91; $10,200 Cedar Rapids at 87 to 85¼; $11,000 Can. Cement at 99¾ to 99½; $1,000 Dom. Canners at 94; $4,000 Dom. Cotton at 99½; $1,000 Dom. Iron at 85; $21,000 Elect. Develop. at 91 to 90½; $12,100 Montreal Tram., debs., at 68; $2,700 Montreal at 101 to 100⅛; $39,200 Quebec Rly. at 65 to 63; $5,000 Penmans at 89; $35,000 Ogilvie at 100 to 99¾; $34,500 Rio at 75 to 74½; $1,500 Steel of Can. at 96; $3,200 Wayagamack at 87; $1,000 Winnipeg Elect. at 85; $477,200 Victory Loan (1922) at 100¼ to 100⅛; $681,900 (1923) at 100⅜ to 100⅛; $119,000 (1927) at 102¼ to 102; $1,433,150 (1933) at 103⅝ to 103⅜; $125,100 (1937) at 104¾ to 104⅜; $270,500 War Loan (1925) at 97¾ to 97⅝; $193,600 (1931) at 98¾ to 98⅝; $291,300 (1937) at 100⅛ to 99⅝.

Debentures For Sale

(Refunding Issue of 1914)

$2,282,000.00 Province of New Brunswick 10 Year 5½ Per Cent.

GOLD BONDS

Sealed Tenders endorsed "Tenders for Province of New Brunswick Bonds" addressed to the undersigned, will be received for the purchase of $2,282,000.00 (Two million two hundred and eighty-two thousand dollars) ten-year Gold Bonds of the above Province, to be dated December 1st, 1919, bearing interest at the rate of five and one-half per centum per annum, payable half-yearly on the 1st December and 1st June.

Principal and Interest payable in Gold at the office of the Provincial Secretary-Treasurer, Fredericton, N.B., or at the Bank of Montreal in St. John, Montreal or Toronto, or at the Agency of the Bank of Montreal in the City of New York, at the option of the Holder.

Bonds to be in the denomination of $1,000, with coupons attached and may be registered as to principal only. Full payment for bonds with accrued interest to date of payment to be made at the Bank of Montreal, Fredericton, on delivery of Interim Securities at said Bank. Interim Securities will be supplied to be exchanged for definite bonds on completion, by the purchaser of the issue.

Tenders to be delivered to the undersigned not later than noon on Tuesday the 25th day of November, 1919. Tenders must be for the whole amount offered and must be accompanied by marked cheque for $40,000 to be applied in the case of the successful tenderer in payment for the bonds. All bids must be made in Fredericton funds. The right is reserved to reject any or all tenders. Tenders containing conditions varying from above will not be considered.

THE COMPTROLLER GENERAL,
Province of New Brunswick

Fredericton, N.B.,
November 1st, 1919.

CANADA BOND
CORPORATION LIMITED
TORONTO

CANADIAN WOOLLENS, LIMITED

Its three mills running at capacity, booked months ahead with orders, and with every indication of a market for all it can produce for years to come, we consider the

7% Cumulative Redeemable Sinking Fund Preferred Shares

of this company one of the most attractive investment opportunities in years. The shares are the first claim on the entire assets and earnings of the property, making them equivalent to bonds in security. The first dividend was paid October 1st. We have obtained a small additional block of this issue which we are offering at

$100 per Share
With a 25% Bonus of Common Shares

These issues will be listed on the Toronto and Montreal Exchanges.

WRITE US FOR DETAILS.

CANADA BOND CORPORATION
LIMITED
59 Yonge Street
TORONTO

Invest Your Savings Here

Harriman, the late railroad magnate, says: "One good investment is worth a lifetime of savings."

Do you realize that millions, hundreds of millions, in gold, only 120 miles from Winnipeg, await development?

That the richest gold quartz vein on the continent runs directly through the Pan Extension Mine?

That an investment in Pan Extension at 20c to-day may make you **wealthy and independent** for the balance of your life?

This is **your opportunity!** Grasp it to-day—leave no room for further regrets.

PAN EXTENSION.

Per Share **20c** Per Share

On Friday, Nov. 21, these shares will advance to 25c per share.
These shares are $1.00 par value, fully paid and non-assessable—no liability.

No Allotment Less Than 250 Shares.
References: Imperial Bank of Canada, Bradstreet and Dun's.

POSITIVE GUARANTEE, backed by prominent Winnipeg business and professional men—men whose integrity you cannot question, we guarantee that this sale of shares is for the purpose of raising money to purchase machinery and the development of the mine.

Proceeds received from this sale are placed in the bank and can only be used with the consent of our Trustee, Judge D. W. McKercher, who must see that it is used for the development of the Company's property.

That none of our directors or officers receive a salary from the Company.

The great boom is under way! Be among the fortunate holders of Pan Extension. On or before Friday, November 21, Pan Extension will go up to 25c per share. Buy now for 20c per share. Use this Coupon—2c postage now will make hundreds for you later on.

Northern Finance, Limited

220 Curry Bldg., Winnipeg

CUT HERE.
NORTHERN FINANCE, LIMITED.
Herewith $........ payment in full for .... shares of Development Stock, fully paid and non-assessable.
Name ....
Address ....

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over $340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over $97,000,000 and surplus of over $8,000,000 it has decided strength and safety.

Its policy, conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL
T. B. MACAULAY, President

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Authorized Capital - - $2,000,000.00
Subscribed Capital - - 1,000,000.00
Paid-up Capital - - - 247,015.79
General Fire Insurance Business Transacted
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The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary
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HEAD OFFICE - - - TORONTO

The Secret of Successful Salesmanship

If the salesman has unlimited confidence in the company he represents and in the goods he is offering, it will not take long to communicate that confidence to the prospect. And this applies to life insurance more than to any other article. Agents of the Mutual Life of Canada meet with extraordinary success for that simple reason—they devoutly believe in life insurance and above all in "Mutual" life insurance. The Mutual Life has been conducted for fifty years exclusively in the interests of its policyholders. The result is an unprecedented demand to-day for Mutual Life policies. With the Mutual "the Secret of Successful Salesmanship" is simplicity itself—the agent knows that he has the company and the policy that the prospect needs. The rest soon follows.

"BE A MUTUALIST"

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

5½% INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½ DEBENTURE of
The Great West Permanent Loan Co.
SECURITY
Paid-up Capital $2,412,578.81
Reserves 964,459.39
Assets 7,086,695.54
HEAD OFFICE, WINNIPEG
ranches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
TOTAL ASSETS $2,468,523.08
A Canadian Company Investing its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. Lyon & Knowland, Agents

DO NOT DELAY

While your mind is alert and active is the time to make your Will. Do not wait until you think you are going to die. Consider now how your Estate will be distributed and managed. Confidential discussion of this matter is invited without obligation or charge.

MONTREAL TRUST COMPANY
Mr. Herbert S. Holt, President A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: 61 YONGE STREET
J. F. HOBKIRK, MANAGER

INSURANCE AND REAL ESTATE

GROUP INSURANCE RATES FILED BY CANADIAN FIRMS

Cost Runs Less Than One-Half Average Up to 45 Years

HELPS WITH LABOR

An Incentive to Keep Employees—Supplements Workmen's Compensation Benefits—New Dept. For Canada

The writing of group insurance in Canada marks an interesting development in the activities of the insurance companies, although judging by the experience of United States companies it will not be a particularly profitable branch, and therefore, not one that is likely to invite the entry of the majority of Canadian concerns. At the time of writing, one Canadian company has filed its rates, and one of the American, and several more, of the latter, The FINANCIAL POST understands, are preparing to take up this branch here. In the main it is considered by insurance executives to be more a matter of service than of profit.

Dispute Over Legality in Canada

For some years there has been a "hitch" between the insurance companies and the Superintendent of Insurance over the interpretation of Section 83 of the Insurance Act. This commences:

"No such life insurance company shall make or permit any distinction or discrimination in favor of individuals between the insured of the same class and equal expectation of life in the amount of the premiums charged, or in the dividends payable on the policy........"

The Life Underwriters' Association has succeeded in securing an arrangement by which the companies are permitted to write group insurance on the stipulation that the same privilege shall be open to the individual outside of a group. As a practical matter there will be scarcely any demand from the individual, for the very terms of such a policy make it expire as soon as the assured leaves the special employ in which he is engaged when he takes out the policy. It is not applicable to clubs and other associations, for here, again, the impediment to general adoption is that it ceases to apply when membership ceases, whereas the average assured desires, when he makes personal payment at all events, to have the policy continue to the end of the chapter.

A Help to Keep Labor

Group insurance, then, as it will be adopted generally in Canada, will mean the assurance of a number of employees by a firm, the employer meeting the premiums, and the insurance and premium payments ceasing when the engagement ends between the two. The main advantage of such assurance to the employer will be in the bond it establishes between the firm and the employee, and the attraction it holds out to an employee to continue in the face of even a larger salary elsewhere, and the drawing power over employees in other firms where such insurance is not operative.

It may be asked, does not the Workman's Compensation legislation provide against death of the employee? Only when the death is directly attributable to the employment in which he was engaged with the firm. It did not apply, for instance, to the epidemic of influenza last fall, while the group insurance protection would. A record was kept in the United States of 1,000 policies covering about 100,000 lives of workmen, and it was found that in five years there were cancellations of only 25 of these, or 2½ per cent. This type of policy has been written up in the United States for about seven years past.

The special features of group insurance are, first of all: the lower cost. It runs far less than half the average premium. For instance, the following table has been submitted to the Department at Ottawa as the rates of one company:

Age	Cost per $1,000 per annum
20	$ 7.95
25	8.35
30	8.50
35	8.80
40	9.85
45	11.95

It is noticeable here that there is little advance between the ages of twenty and thirty-five, and these rates are far less than half the ordinary ones, especially those for ages over twenty-five. When the age of the employee is around 65 or 70, of course, the cost is much higher, running to about $65 a year. But the average cost for the employer would not run much over $10 for each employee, and where the men are fairly young, much lower than this.

Another difference in group insurance over other forms is that medical selection is replaced by employment selection. There is not the same necessity for the medical inspection in the latter case, as the amount the individual would take would be set by the figure chosen by the employer as applying to all alike. And there could not be an attempt on his part, knowing he was weak physically, to "load up" with insurance. The usual objection to it is that if a man accepts it in lieu of personal insurance, it continues only as long as he is in the employ, but when he leaves he is forced to take out new insurance for himself alone, at a rate that might run up to $100 or $200 a year, an almost prohibitive rate under such circumstances, while if he had taken out this policy at an earlier age he would have had the advantage of a much lower rate than would have applied as long as he lieved.

The usual rule is that the insurance policy lapses when the employee leaves the firm, but, unless the employer objects, it may be continued during sickness.

Inquiries made by The FINANCIAL POST indicate that the companies do not look for an immediate response in Canada in large volume, but rather for a gradual growth by educational means.

PART OF INSURANCE COMPANIES GROWING

Tendencies of Farm Mortgages Are Discussed by Officials

The part the insurance companies play in the development of Canada is shown by the fact that they subscribed a block of over $50,000,000 to the last Victory loan, after contributing large sums to the previous loans. That the insurance company is something more than an agent for carrying risks on life and property becomes more evident daily, and at the present moment the investment departments of the great Canadian insurance companies, are looking forward to taking a larger part in the development of the country.

This fact was brought out clearly by one insurance official who told THE FINANCIAL POST that his house expected to loan out large sums of money in the near future to Western farmers who intend to improve their properties. This official said:

"Not 10 per cent. of the farms in Western Canada are equipped with proper buildings, and the holders of these farms are planning to do more building than ever before. There will be a wider market than ever before in the West for good farm mortgages. Another thing; not only are the number of requests for loans increasing, but there was never a greater percentage of good risks among those applying."

The farm loan mortgage investments of the insurance companies will be further increased by reason of the coming tendency on part of farmers of the West to turn from wheat raising to live-stock. European farmers are rapidly getting their farms back to their pre-war productive capacity, and the day is approaching when the European market for Canadian wheat will be much reduced, and, in fact, the opinion is expressed by an eminent Canadian financier, recently returned from Europe, that the wheat raising countries of Europe may have an exportable surplus. With one of their best markets cut off, Canadian farmers will turn from wheat raising to live-stock raising, and will require loans for the purchase of herds and breeding animals.

WHERE BUREAU FAILED

Too Slow in Handling Claims, So Policies Are Dropped

In last week's FINANCIAL POST, it was pointed out that the red-tape and inefficiency consequent on Government control of the U. S. Bureau of War Risk Insurance had induced most of the soldiers insured under the scheme during the war to revert to the life insurance companies on becoming civilians again. In fact, practically the only risks left with the Government were those who, because of physical disability, could not obtain insurance in the ordinary way.

Later figures show that of 4,539,048 policies written by the bureau some 3,948,000, or 87 per cent. have been allowed to lapse. As showing how claims are held up it is pointed out that of 305,000 claims received up to October 1, 123,196 are still waiting settlement, 10,000 of which have been outstanding over six months.

The production of pulpwood for the paper industry of the United States increased 159 per cent. from 1899 to 1918, while cost increased 688 per cent. in the same period.

FIRE PREVENTION SECTION INVOKED FOR FIRST TIME

Montreal Men Charged With "Negligence Resulting in a Fire"

WHERE ACT APPLIES

Fire Insurance Men Think Amendment Has Wide Scope and Mention Some Places it Applies

The first prosecutions to be invoked in Canada under the amendment to the Criminal Code, passed last April by the Dominion Government, relating to fire prevention, have been instituted in Montreal, and two persons have been committed for trial before the Court of the King's Bench, charged with an offence against Section 515 of the Criminal Code, which makes it an indictable offence for any person to be guilty of any negligence which causes a fire occasioning the loss of life or property.

Although the charges now pending in Montreal are against individuals, it must not be assumed that the law applies only to persons who commit such foolish offences as smoking in garages and striking matches on gasoline tanks. Fire insurance men who have studied the act feel that it is applicable to manufacturers who have fires resulting from spontaneous combustion in piles of dirty rags or paper, from dust explosion where the dirt has not been properly cleaned, from "hot boxes" in machinery where the engineer in charge has been lax in attending to his work, from defective electric wiring, where it can be shown that the owner of the building was aware of the defects, etc. The Commission of Conservation issued a bulletin not long ago which threatened householders and others, who had fires resulting from uncleaned chimneys, with prosecution under the act. The scope of the section is very wide, and when it is remembered that probably 90% of all fires are preventable it will be seen that a large proportion of the persons and companies who have fires in their premises are liable to prosecution.

Hard to Get Evidence

Only one thing has prevented fire commissioners and fire marshals throughout Canada from starting more prosecutions this summer, and that has been the difficulty of getting evidence. The Ontario Fire Marshal has been tempted to prosecute in a number of cases that have come to his attention, but in each case some thread of the evidence has been weak, and preferring to make his first case a precedent that will have a beneficial, educational effect on individuals storekeepers, manufacturers and property owners in general, the fire marshal has been content to await a perfect case to proceed on.

The Montreal prosecutions are against two men, one of whom is accused of starting fire in a garage by smoking while using gasoline for cleaning some parts, and the other of whom is accused of having caused a fire by striking a match and using it to look into a barrel of gasoline.

Property owners whose chimneys flues, rubbish piles, wiring and other danger points have not been examined recently should read over again the amendment passed this spring, which reads:

> "Every one is guilty of an indictable offence and liable to two years' imprisonment who by negligence causes any fire which occasions loss of life or loss of property.
>
> "The person owning, occupying or controlling the premises in which such a fire occurs, or on which such fire originates, shall be deemed to have caused the fire through negligence if such person has failed to obey the requirements of any law intended to prevent fires or which requires apparatus for the extinguishment of fires, or to facilitate the escape of persons in the event of fire, if the jury finds that such fire, or the loss of life, or the whole or any substantial portion of the loss of property, would not have occurred if such law had been complied with."

It is interesting to note that educational work along the line of fire prevention by the Canadian Manufacturers' Association is having a beneficial effect. The record of fires in manufacturing establishments in Ontario for the first nine months of the present year shows an appreciable decline over the figures for the same period in 1918, as follows:

	No. of Fires	Amount of Loss	Insurance Loss
1918	381	$6,247,044	$2,916,975
1919	321	1,704,375	1,313,144

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Legislature Must Approve Arrangement Before It is Effective

"SHACK TOWN" FEARED

Brantford City Assessor Opposes Scheme Because He Says it Will Mean Too Many Cheap Houses

It is probable that the action of the Toronto city council in deciding to submit to the ratepayers of the city a proposal to partially exempt from taxation on a sliding scale all homes assessed at less than $4,000 and occupied by the owners, will probably give a lead to other municipalities in Ontario. Already the matter has been discussed by a number of towns and cities.

The plan adopted by the city of Toronto will have to be ratified by the Ontario Legislature before it can be put into operation, because it applies to owner-occupied homes only, while the legislation passed at the last session of the Legislature stated that if such partial exemptions were granted it must apply to all homes, whether occupied by the owner or by a tenant. The action of Toronto city council in differentiating between landlord and home-owner followed a recommendation of Finance Commissioner Bradshaw, who said:

> "It is quite evident that the bonusing of landlords who own houses merely for profit-making purposes by the remission of annual amounts of taxes similar to that above, namely, $472,588, in perpetuity, imposes an unequal and unfair added burden upon all taxpayers, and especially upon the owner of the modest home himself.
>
> "The aim, unquestionably, should be to encourage the building and ownership of small houses, rather than the erection of houses for speculative and profit purposes."

The Other Side

The action of the council was not unanimous by any means. It was pointed out that the by-law would have the effect of deterring people from improving their properties, and would throw the burden of taxation on the industries. New industries would not come to the city when they knew they would have to bear a large part of the burden of taxation of the homes of the city, one-half of which would be affected by the proposed arrangement.

Another municipality contemplating a revision of its assessment along the lines contemplated in the Provincial Act, is Brantford, but whereas in Toronto the foremost exponent of the scheme was the city assessor; in Brantford the city assessor opposes any such arrangement. His views are interesting. In a recent speech to the city council, he said:

> "Such an arrangement will make a shack town of this city. The strain will be felt most by the owners of houses valued at from $5,000 to $7,000, the most enterprising class we have. It does not look like a great or beneficial reform for it would make people inclined to build homes for accommodation rather than convenience.
>
> "One effect of the regulation would be to drive those who intend to build good houses outside the city limits or to other cities."

The Ontario permissive legislation has been discussed before in The FINANCIAL POST. The Toronto scheme, outside of differentiating between owner-occupied and rented homes, is very similar to the act which says that:

> "The council of a city, town or village may with the assent of the electors qualified to vote on money by-laws pass a by-law providing that taxes and rates, except for school purposes, on dwelling houses assessed for not more than $4,000 shall be levied and imposed on such percentage of the assessed value as may be thought proper, but not on a less percentage than the following:
>
> "(a) On dwelling houses assessed at not more than $2,000 on not less than 50 per cent. of the assesed value;
>
> "(b) On dwelling houses assessed at not more than $2,500 on not less than 60 per cent. of the assessed value;
>
> "(c) On dwelling houses assessed at not more than $3,000 on not less than 70 per cent. of the assessed value;
>
> "(d) On dwelling houses assessed at not more than $3,500 on not less than 80 per cent. of the assessed value;
>
> "(e) On dwelling houses assessed at not more than $4,000 on not less than 80 per cent. of the assessed value.

INSURANCE AGAINST THEFT

Aftermath of War Seen in Number of Robberies

Burglary insurance has hitherto attracted very little attention in Canada, although of late, the increasing number of Liberty Loan robberies and safety deposit box thefts in New York city has tended to popularize burglary insurance in the United States. Toronto insurance men this week heard something of the manner in which burglary risks are taken care of in New York, when Samuel B. Brewster, secretary of the American Surety Company, New York, addressed the Insurance Institute.

Mr. Brewster showed the great increase that has taken place in the United States in the last decade in burglary insurance, and gave as his opinion of the reason for the recent increased number of burglaries the economic conditions due to the war. Not only the increase in crime, but the enormous increase in such securities as Victory bonds had made burglary insurance vitally important to-day. The speaker attributed the present great demand for this type of insurance in the United States to several causes: the great increase in labor requiring protection for the pay roll; the enormous transfers of securities requiring insurance against robbery by messengers; the increased stocks of open merchandise; the new methods of the professional "crooks" with the advent of the motor car as their method of escape; and the greater publicity being given to reports of burglaries in the newspaper.

HOLDS VERBAL NOTICE OF RENTAL IS VALID

Important Judgment in Suit Over Possession of Montreal Flat

Verbal notification of an intention to lease a flat was declared valid by Mr. Justice Maclennan in the Superior Court at Montreal this week. The judgment was given in an action brought by Marian Augusta Thompson to compel Lena Hodgson to give her possession of the middle flat of a three-storey dwelling on St. Mark Street on November 1 at $40 a month. Plaintiff was, as a matter of fact, the proprietor of the whole house, and had made a special arrangement to occupy the middle flat. Verbal notice was given in July, August and September, and enforced by a notice from the agent of plaintiff advising defendant of certain work to be done before she got possession.

Defendant, who has rented the middle flat to roomers, who are paying her $53 per month, pleaded that she never received a regular and legal notice in proper time that plaintiff wished to avail herself of the condition permitting her to occupy a part of the house on November 1 at $40 a month. She therefore asked the dismissal of the action.

Mr. Justice Maclennan stated that the privilege given plaintiff in the lease of the house from plaintiff to defendant was in the nature of an offer to lease the middle flat, and did not call for a written acceptance, but that the verbal consent of plaintiff to take the flat, to be communicated at any time more than one month before November 1, 1919, would be sufficient notice within the meaning of the agreement, and would be binding on both parties. The consent of plaintiff to accept the privilege or offer was validly given by plaintiff to defendant in July, August and September, and defendant's evidence at the trial denying that plaintiff gave such notice could not be accepted by the court. The court, therefore, holding that plaintiff had established her case, ordered defendant to give plaintiff occupation and peaceful possession of the flat in question within three days, or in default defendant will be ejected. In any event defendant has to pay the costs of plaintiff's action.

VALIDITY IS QUESTIONED

Can B. C. Municipality Add to Over-Due Taxes?

VICTORIA.—There is some question of the validity of the action of some British Columbia municipalities in adding 15 per cent. to delinquent taxes. This action has been taken as the result of legislation passed at the last session of the provincial assembly, empowering municipalities to add a percentage to all taxes unpaid after the final due date. The validity of the Act is challenged on the ground that when the Provincial Legislature, in 1878 passed an act, which provided that twenty-five per cent be added to delinquent taxes, the courts declared that the Province had no power to impose a penalty of that nature on the delinquent.

RECLAIM SWAMP LAND

Between 80,000 and 90,000 Acres May be Drained

An engineering scheme which will ultimately reclaim between 80,000 and 90,000 acres of marsh land, lying on either side of the Holland River in North York, thirty miles north of Toronto, was initiated this week, when the East Gwillimbury township council awarded to E. A. James a contract to drain the first 6,000 acres of the swamp area. The rest will be drained later.

The swamp land along the Holland River is said to be the richest in York county, but the only use it has ever been put to has been to grow marsh hay. It is on the same level as Lake Simcoe, and is easily flooded. Provision will be made to guard against the annual freshets.

Extensive surveys will be made immediately and the real task of draining begun as soon as the soil dries in the spring.

FIRST ISSUE

Meeting the wishes of the Minister of Finance, the undersigned have refrained since September 8th from offering any investment issues, in order to be in a position to devote themselves exclusively to the success of Victory Loan 1919.

They are now in a position to offer to the Public

$1,500,000

6½%

SERIAL SECURED GOLD BONDS

OF THE

SAGUENAY PULP AND POWER COMPANY

being part of the original issue which amounted to $5,500,000, placed on the market some time before the Loan.

The bonds are in denominations of $100, 500 and $1,000 and are redeemable in series from 2 to 15 years (from July 1st, 1921, to July 1st, 1934) at the option of the holder, and the interest coupons mature half-yearly on January 1st and July 1st of each year.

The issue of $5,500,000, of which the present offering of $1,500,000 forms a part, is secured by $7,125,000 of the First Mortgage Securities and by $10,621,000 of the Preferred and Common shares of the followng companies representing the absolute control of same.

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The first interest coupon will be for seven months and will mature on the 1st of January 1920. Thereafter, the interest coupons will mature half yearly on the 1st of July and 1st of January of each year.

REGISTRATION: Bonds may be registered as to principal, free of charge, at the Office of THE CROWN TRUST COMPANY, Montreal.

REDEMPTION: The Company reserves the right to redeem the Bonds, by drawing, in whole or in part at 102% and accrued interest upon thirty days' notice, on any interest date.

TRUSTEE: THE CROWN TRUST COMPANY, Montreal.

LEGALITY: Messrs. Beique & Beique and Messrs. McGibbon, Mitchell, Casgrain, McDougall & Stairs, Solicitors, have passed upon the validity of these Bonds. Trust Deeds have been passed before Mr. R. Faribault, N.P., Montreal.

Price: Par and Accrued Interest.

GENERAL INFORMATION

LETTER FROM THE PRESIDENT

In our original prospectus and announcements we furnished full particulars of the plants and operations of the Saguenay Pulp & Power Company. The following letter from the President of the Company, Hon. Senator F. L. Beique, contains a report of the operations of the company since that time.

Montreal, November 12, 1919.

To the Members of the Underwriting Syndicate,

Gentlemen:

Replying to your letter inquiring whether all the undertakings of the Chicoutimi Pulp Company were showing satisfactory results and what progress had been made with the repairs and extensions to the St. Lawrence mill at Chandler, I have much pleasure in reporting that the output of the mills at Chicoutimi and Val-Jalbert have been maintained at full capacity since the beginning of the year. The stocks of mechanical pulp which had grown to over 60,000 tons in the early months of the year, has now all been sold and shipped. Steadily higher prices were secured for it as well as for the entire output since that time.

The pulp which the Company sold last year and during the first six months of this year at from $26 to $29 a ton has now advanced to over $40 a ton. The last sales were made at $42.50.

As regards the chemical pulp mill at Chandler the improvements which we had hoped to make have been realized to a very great extent. The output has been increased by more than 40 tons a day and now amounts to over 112 tons a day. At the same time the operating costs have been reduced by over $10 a ton.

I have the honor to be
Your obedient servant,
THE SAGUENAY PULP & POWER COMPANY,
Per F. L. Beique, President.

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SOLDIERS BUY FROM C. P. R.

Twenty Per Cent. Off to Veterans, Company's Policy

The Canadian Pacific Railway has disposed of much of its Western farm land property to returned soldiers, who have been quick to take advantage of the 20 per cent. reduction in price offered by the company to prospective farmers who had seen service overseas. **The only stipulation made** by the company in selling land at reduced prices to the soldiers was that the application should be approved by the Soldiers' Settlement Board.

The C.P.R. has also loaned money to their soldier settlers for building material, equipment, livestock, etc., which is repayable in twenty years in annual instalments.

The world's sugar crop for the 1919-20 campaign just starting is for a total of 16,600,000 tons against last year's outturn of 16,320,654 tons.

WOULD AMALGAMATE

Port Arthur Council Would Link Up With Fort William

The first step towards a union of Port Arthur and Fort William was taken by Port Arthur city council last week when it passed a resolution favoring the amalgamation. It is proposed that a plebiscite be taken in each city on the question.

The population of Fort William is 20,854. Port Arthur has a population of 15,509. Other figures concerning the two cities are as follows:

	Port Arthur	Ft. William
Debenture debt	$7,666,668	$7,791,910
Sinking fund	1,179,894	1,363,637
Net debt	6,486,774	6,428,273
Assessment	27,935,020	39,764,329
Tax rate	29 mills	22.99 m's
Pub. utilities deficit	$ 9,118	....

According to the report of Postmaster-General Burleson, war-time operation of the telephone and telegraph systems of the country cost the United States Government $14,418,287.

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BANK OF MONTREAL CURRENT LOANS UP $18,000,000

Very Satisfactory Year With Gradual Return to Peace Basis

PROFITS UP $851,000

Representing Over 16½% on Capital Stock—Loans Abroad Reduced and Gov't Securities Up $17,000,000

By Resident Representative.

MONTREAL.—Keen interest attached to the annual statement of the Bank of Montreal, which was issued this week, as it represents practically one year of peace conditions, from October 31, 1918. While in many respects items still remain in the transition stage between a state of peace and war a large increase in current loans from $146,000,000 to $164,000,000 marks a certain relief that is coming to the bank from abnormal war burdens, and its increasing ability to grant assistance to the urgent requirements of the industrial life of Canada. As compared with two years ago the amount of current loans has grown from $97,000,000, a gain of over 65 per cent

The statement indicates also a change in deposits, but one that should be compared with that of six months ago rather than one year ago. Demand deposits are ahead $5,771,000, but savings deposits are over $32,000,000 behind those of 1918. On the other hand the statement for Oct. 31 is $44,000,000 ahead in this respect than that issued at the end of last April. This would indicate that the growth in savings that was a feature of the war is gradually coming back.

Government Securities $63,984,000

The widening service performed by the bank in connection with national needs for the prosecution of the war and the period immediately following is indicated in the heavy increase in the holdings of Government securities. There is a gain from $46,000,000 to nearly $64,000,000 during the year, and the increase is even more marked when comparison is made with the $28,000,000 of similar securities held two years ago.

The statement from the standpoint of profits is eminently satisfactory, there being an increase of over $851,000, from $2,562,720 one year ago to the record new total of $3,314,227. In this total, of course, there is contained the profits accruing from the Bank of British North America for the full year's connection. The balance for the year itself works out at a percentage of 16.57 on the common stock, which during the year was increased from $16,000,000 to $20,000,000. Added to the receipts for the year is the sum of $3,500,000, which was secured from the sale of the new stock, and which provided all but $500,000 of the increase of $4,000,000 of the reserve to $20,000,000, where it is again on an equality with the capital stock. The Profit and Loss Account sees an omission of bonuses of $320,000 which were contained in the statements of the two previous years. Bank premises were set down at $300,000 as compared with $200,000 last year. The balance now stands at $1,812,854 as compared with $1,901,613 last year, but from the total for 1919 was deducted the additional $500,000 to make up the rest account.

The Profit and Loss Account for the past three years compares as follows:

	1919	1918	1917
Profits	$3,314,227	$2,562,720	$2,477,969
Prem. new stock	3,500,000	....	....
	$6,814,227	$2,562,720	$2,477,969
Prev. bal.	1,901,613	1,664,893	1,414,426
Total	$8,715,840	$4,227,613	$3,892,393
Less:			
Dividends	$2,372,250	$1,600,000	$1,600,000
To rest	4,000,000	....	....
Bonuses	....	320,000	320,000
War tax	190,986	160,000	160,000
Patriotic	39,750	46,000	47,500
Bank premises	300,000	200,000	100,000
Total deduct.	$6,902,986	$2,326,000	$2,227,500
Balance	$1,812,854	$1,901,613	$1,664,893

Call Loans Show Reduction

The total assets of the bank show a slight loss as compared with last year, $545,000,000 as against $558,000,000, but a gain of over $55,000,000 when compared with the six months statement of April 31 last. Call loans abroad show a very considerable shrinking, from $97,000,000 to $78,000,000, or a total of $21,000,000 in the last two years. The urgent need of the bank's funds for domestic purposes accounts for this withdrawal on so large a scale. The item of call loans, represents as last year, the Bank of British North America alone, as the Bank of Montreal has no such item in its list. The amount is very small, scarcely more than $2,500,000.

Liquid Assets Proportion Down

The special analysis of the assets and liabilities by THE FINANCIAL POST shows that the percentage of immediately liquid assets to the total assets continues to recede slightly. The total liquid assets according to this table given below are $280,875,916, as compared with $305,557,396 one year ago, the chief declines being $18,000,000 each in Dominion notes and call loans abroad. On the other hand there is an increase of $17,000,000 in Government securities as mentioned before. The percentage this year stands at 51.6 as compared with 54.72 last year, a loss of 3.1 per cent. The percentage of the liquid assets to the liabilities to the public stands at 55.8 as compared with 58.3 last year, a loss of 2.5 per cent.

This analysis works out as follows:

ASSETS

Immediately Available Liquid Assets

	1919	1918	Change
Specie	$ 24,742,654	$ 25,492,841	—$ 750,187
Dom notes	49,865,151	68,531,256	— 18,666,105
Nt. cr. dep.	1,038,166	1,038,166	....
Notes bk.	2,744,153	2,767,397	— 23,244
Call l'ns ab.	78,255,625	97,029,549	— 18,773,924
Bank bal.	13,856,808	14,703,461	— 846,653
Cheques	21,189,101	21,424,139	— 235,035
Govt. sec.	63,984,255	46,870,586	+ 17,113,669
Gold res.	25,200,000	27,700,000	— 2,500,000
	$280,875,916	$305,557,396	— 24,681,480
% of total assets	51.6	54.72	— 3.1
% of total liab. to pub.	55.8	58.3	— 2.5
Other Assets			
Pub. sec.	$47,041,359	$ 52,085,835	— 5,044,476
Other sec.	8,517,835	11,375,199	— 2,857,364
Call loans.	2,583,910	2,371,388	+ 212,522
Curr. loans.	164,182,581	146,028,861	+ 18,153,720
Curr. else.	15,903,424	14,649,837	+ 1,253,587
Municipal.	15,092,718	15,598,069	— 505,351
Over. debts	549,133	855,445	— 306,312
Bk. prem.	5,500,000	6,000,000	— 500,000
Let. of cred.	4,895,505	3,674,865	+ 1,220,640
Other assets	162,421	216,651	— 54,230
	$264,428,886	$252,856,150	+ 11,572,736
Ttl. assets.	$545,304,809	$558,413,546	—$13,108,737
LIABILITIES			
To the Public			
Circ.	$43,922,844	$ 42,082,209	+ 1,840,635
Dem. dep.	129,946,641	124,175,047	+ 5,771,594
Sav. dep.	312,655,964	345,552,764	— 32,896,800
Due bks.	2,110,833	4,315,349	— 2,204,516
Due else.	4,122,491	3,086,741	+ 1,035,750
Accept's	4,895,506	3,674,865	+ 1,220,641
Bills pay.	4,334,343	311,894	+ 4,022,449
Other liab.	894,712	746,393	+ 148,319
	$502,883,334	$523,945,262	—$21,061,928
To Shareholders			
Capital	$20,000,000	$ 16,000,000	+ 4,000,000
Reserve	20,000,000	16,000,000	+ 4,000,000
Dividends.	608,621	566,671	+ 41,950
Prof. & loss	1,812,854	1,901,613	— 88,759
	$ 42,421,475	$ 34,468,284	+ 7,953,191
Total liab.	$545,304,809	$558,413,546	— 13,108,737

CANADIAN STOCK MARKETS HELD WELL IN STORM

Continued from page 1.

given to the investing public. The Federal Reserve Board had issued warnings as long ago as last summer, and for a month or six weeks there had been talk that drastic action would be taken.

As to the future, various opinions are held in New York, the following from a banker with interests in large industrial corporations is of interest:

> This break in the stock market has given investors a rare opportunity to buy standard stocks, with every prospect of material enhancement in values. When buying stocks keep in mind the stocks of the productive companies—those companies that will be called upon to supply the world with what it needs. The shelves of the merchants are bare, more so than they were at any time during the war, and it will take from two to three years to replenish them. Consumers will need steel, automobiles, textiles, ships, petroleum, copper, coal, steel rails, locomotives, cars and other products in unlimited quantities. For the past five years production for actual business and commercial purposes has been far below normal. We will have to speed up to put the world on its feet again, for production is the sole solution of all the problems growing out of the war.

Investment attention is again turning to the bond market to considerable extent now that the Victory Loan is out of the way. For the time being conditions are in a state of adjustment, but there are a number of large and small issues in sight, and as the dealers pretty well cleaned their books prior to the national effort, it is expected that there will be a fair demand and a gradual strengthening of prices from the levels which prevailed when the bond houses turned from their normal activities.

Bond prices in the States were affected in last week's slump, the entire list taking on a weak appearance with a number of new low records.

CANADA
ACCIDENT AND FIRE
ASSURANCE COMPANY
Policies guaranteed by
Commercial Union Assurance Co., Limited
General Agents—Fire
G. U. PRICE & CO., LIMITED
BANK OF TORONTO BUILDING MONTREAL
Phones: Main 8088-8089

WHEAT MOVEMENT AFFECTS MILLING

Arrivals Before Close of Navigation 25 Per Cent. Less Than Normal

By J. L. RUTLEDGE,
Editor "Canadian Grocer."

The slow movement of wheat to the lake head that has been very noticeable this year, will have an important effect on the milling industry. Scarcity of cars to move the crop and slowness in the actual handling by the railways will mean that the actual arrivals at lake ports prior to the close of navigation will be 25 per cent. less than the normal handling. This means an added cost in transportation for an all rail haul, and the very strong probability that without substantial reserves at some terminal elevators there may be difficulty in obtaining sufficient supplies to keep eastern mills operating.

The Canadian Wheat Board has finally set a maximum wholesale price on bran and shorts. The price set is $45 and $52 per ton respectively, net weight in jute bags f.o.b. Montreal. It is also ordered that standard flour for Canada shall be the standard set by the board for Government standard spring wheat flour and winter wheat flour. The maximum wholesale price for the former shall be $10.90, and for the latter $10.10 per 98-pound net jute bags, f.o.b. Montreal.

DEBENTURES FOR SALE
CITY OF EDMONTON
ALBERTA

Sealed tenders addressed to the undersigned will be received up to 12 o'clock noon on Friday the 28th of November, 1919, for the purchase of an issue of $3,000,000 10-year 5½% debentures issued against the consolidated arrears of taxes under the powers given in the "Arrears of Taxes Act."

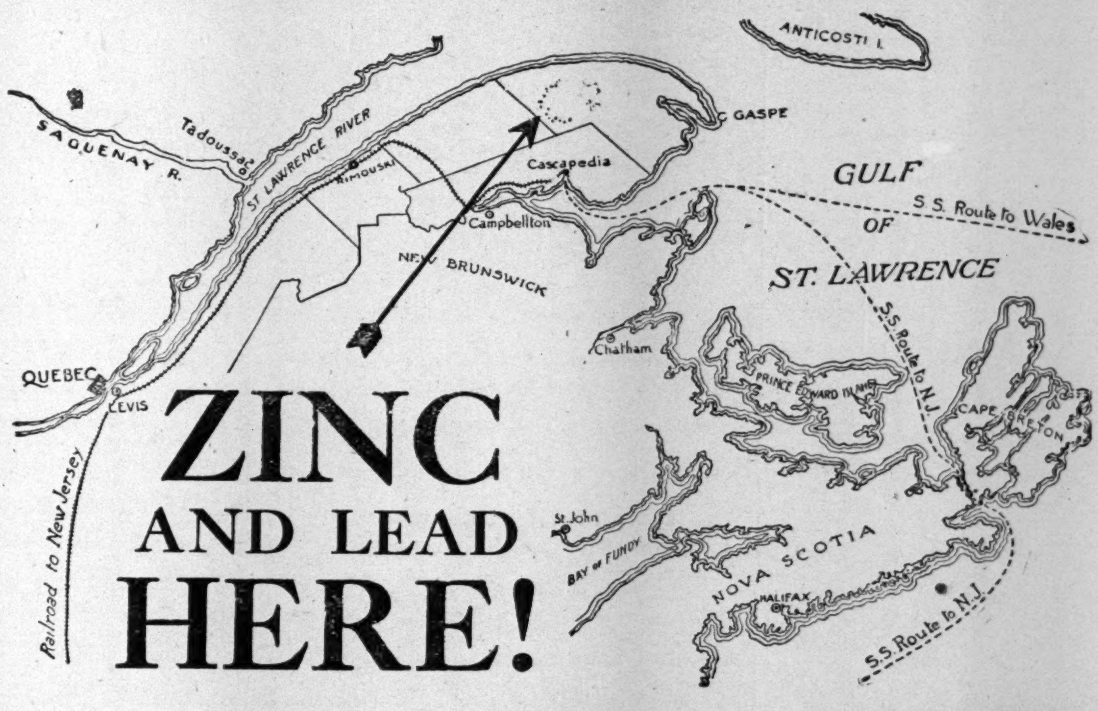
The debentures will be dated October 1, 1919, in denominations of $1,000 each, payable as to principal and half-yearly interest at Edmonton, Toronto or New York, and may be drawn for redemption on any interest due date.

The bonds will be delivered at Edmonton against payments as follows:—

Not later than Dec. 29, 1919..........$1,126,000 at Edmonton
December 29, 1919.................... 974,000 at New York
February 13, 1920.................... 900,000 at New York

The City reserves the right to reject any or all tenders.

F. BARNHOUSE,
City Treasurer.



ZINC
AND LEAD
HERE!

The Gaspé Peninsula

THE average Canadian hears time and again that his country has unlimited natural resources. What does he do about it?

He leaves it to foreign capital to develop and profit by these resources. The greater part of Canada's mineral production is financed by shrewd investors outside the Dominion.

To be candid about it, Canadians do not know their own country. The Gaspe Peninsula is a name only, except to the few dwellers bordering on the St. Lawrence and the Bay or Chaleurs—and even they are blissfully ignorant of the wealth of Zinc and Lead lying beneath the surface of the ground in the interior of the peninsula.

Here is property that will rival the famous Joplin-Oklahoma mines in the States and the Australian zinc and lead mines.

The deposits in the Gaspe Peninsula occur in fissure veins, fourteen of whch have already been uncovered. Shafting sunk over 100 feet shows no lessening in the quantity or quality of the ore.

Strategic Location of the Mines

Everything is in favor of the Federal Mines, located near the point of the arrow in the above sketch map.

A road is under construction from the mines to Cascapedia, which, with its rail and water facilities, will give the Federal mines excellent outlets to the Zinc refineries of New Jersey, Cleveland and Wales.

Federal Mines is the subject of a detailed report by the provincial mining department. It remains to be seen how far the people of this province will take advantage of Quebec's natural wealth KNOWING the facts.

Federal Zinc and Lead Company Limited
No Personal Liability. Montreal, Que.